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Automotive News

June 27, 1988

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Ford OKs dealer purchase by public firm

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — The closely watched proposed joint venture between a publicly held British firm and a group of California dealerships cleared a major hurdle, winning the approval of Ford Motor Co. and making public ownership of a domestic franchise a reality for the first time.

The joint venture between Campbell Automotive Group Inc. and Lex Service PLC was also approved by Mitsubishi Motor Sales of America Inc. last week. The approvals will permit Campbell, which owns seven dealerships in Orange County, Calif., to sell a 50 percent interest for $13.5 million to Lex, the largest retailer of cars and trucks in the United Kingdom.

Still other approvals are needed from several of the seven makes sold by Campbell, but industry eyes were on the Ford approval since that represented the largest franchise held by the chain. The factory had frowned on public ownership of its dealerships.

In addition to Ford and Mitsubishi, other franchises in the Campbell group include Nissan, Mazda, Audi, Porsche and Volkswagen. No rejections were anticipated.

While public ownership has been opposed by the manufacturers, dealers are now exploring the option as a source of capital for costly expansion.

"Obviously, we are very pleased that Ford acted quickly and rationally in approving the agreement," said John Campbell, president of Campbell Automotive. "We are looking forward to showing that our joint venture can do business at a level of customer satisfaction that Ford and our customers ex-

see LEX, page 61

Big-car rise due in Japan with tax cut

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Japan's seemingly innocuous proposal to change its auto taxation system — far from dull-sounding internal policy-making — could have far-reaching impact around the globe, allowing Japanese manufacturers to boost big-car production while cutting costs even more.

The tax-law changes could also go a long way toward opening this market to outsiders, notably American and European manufacturers who traditionally produce bigger cars.

But the big gains from a change in the Japanese tax law would benefit the larger Japanese companies — with Toyota leading the pack — who could further their so-called "product rationalization" programs and gain greater economies of scale.

By opening the Japanese market for larger cars and larger engines through lower taxes, Japanese manufacturers would be freed from the design constraints dictated by those laws that created a two-tier product strategy — large cars for export, smaller versions for domestic consumption.

And by selling more big cars at home, the makers will be able to drive their production costs downward and boost the profits they bring in.

The change also takes on added significance in that Japan, as a result of the run-up in the yen, has become a high-wage producer relative to the United States. The manufacturers will need those larger cars to absorb the differential and remain competitive on a worldwide basis.

While transplants may build trucks, economy and family cars, and low-wage newly industrialized countries may flood entry-level markets, the Japanese will be able to save jobs by building the next wave of luxury cars in Japan.

In addition, a strong yen and exploding real estate values in Japan have created a luxury-car boom in the world's third largest car market — an opportunity that could prove to be a gold mine for the domestic makers.

see NEW TAX, page 61

Saturn Corp. picks plastic for its car body

Reatta is a pleasant dilemma for Buick

Plastic Saturn, Reatta rage

DuPont's Bexloy called body choice

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

CHICAGO — When Saturn Job One moves down its spanking-new Spring Hill, Tenn., assembly line in the summer of 1990, it will be wearing a skin of plastic, not sheet steel.

Industry suppliers at a convention here say a cage-like steel structure will support the fiberglass-reinforced plastic in much the same way the steel space frame supports the plastic outer panels of the Pontiac Fiero.

When the death knell for that car was rung, there was speculation that the space frame construction concept would be abandoned for automobiles. The reports of Saturn's injection-molded plastic body, therefore, are surprising many in the industry.

At Saturn headquarters in Troy, Mich., a spokesman said, "We are not talking about

see SATURN, page 60

New Buick sold out, sidesteps Allante pitfall

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

LANSING, Mich. — As Cadillac struggles to sell its two-seat luxury sports car, Buick suffers from a different dilemma: How to cope with increasing demand for its similar specialty vehicle, Reatta.

Buick's is a dilemma each General Motors division — and every automaker — dreams about.

For the 1988 model year, all 3,000 copies of the $25,000 Reatta scheduled to be built at the 650,000-square-foot Reatta Craft Centre in East Lansing, Mich., are spoken for. Cadillac, meanwhile, has restricted Allante production to one-third of its capacity and has taken the car out of production for 2½ months.

Six months after Reatta was introduced to the public, the market is being generous to

see REATTA, page 60

GM's Johnson may quit today

By Charles M. Thomas and Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTERS

General Motors is expected to announce today that Elmer W. Johnson, executive vice president of the operating staff, will leave the company and return to his law practice with the Chicago-based firm of Kirkland & Ellis.

Elmer Johnson

He joined GM in 1983. Speculation that Johnson — one of four contenders to replace Roger B. Smith as GM chairman when he retires in 1990 — may depart began surfacing last week on the heels of an article in American Lawyer magazine.

The article suggests that Johnson's counter-culture tendencies were not easily tolerated within the strict corporate confines of GM.

James Gustafson, a professor at Emory University in Atlanta, Ga., and longtime friend, said he spoke to Johnson three weeks ago and was told by him that resigning was a possibility.

"He didn't talk much about it but he was obviously frustrated by the bureaucracy," said Gustafson. "He mentioned reshaping his whole situation there."

He added that if Johnson has resigned, it would

see JOHNSON, page 60

Training for the top: The Ford School

Gilmour tells how program pursues goal of excellence

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Who is most likely to succeed Donald E. Petersen as chairman of Ford Motor Co.?

Who is in line to become the next president of Ford of Europe, or the next executive vice president in charge of North American automotive operations?

What are the probable next steps up the corporate ladder for cousins Edsel B. Ford II and William Clay Ford Jr.?

The answers to those questions, along with other juicy morsels of management information, lie behind the locked doors of a top-secret room on the 11th floor of Ford world headquarters here.

Its official name is the Management Development Conference Room. Unofficially, it's dubbed the War Room.

Says Allan D. Gilmour, executive vice president in charge of international automotive operations, "It's

see GILMOUR, page 58

AUTOMOTIVE NEWS/JOE WILSSENS

Allan D. Gilmour

Some good ones got away to lead other big companies

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — As a group, they go by some motley names — "retreads," "Fordos," "WIWAFs," "dropout kids" — but the people who have left jobs at Ford Motor Co. over the years make up an impressive roster of executive talent.

Ford, more than any other domestic automaker, has carried a reputation for supplying executives to other companies. And its pipeline has gone well beyond Chrysler Corp., where its most famous alumnus — Lee Iacocca — has transplanted an entire team of Ford men into the front office.

Between the early 1950s and the early 1980s, Ford lost 16 officers who went directly to the presidency of other companies, according to Eugene Jennings, a business professor at Michigan State University. Jennings has been charting auto industry "dropouts" for more than three decades.

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Daimler-Benz, China initial truck deal — Page 2

Is Chrysler buying DeTomaso? — Page 3

Buick, Olds, Cadillac eye bigger share in '89 — Page 4

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Daimler-Benz, China sign heavy-truck agreement

By Stephen Vines
STAFF CORRESPONDENT

BEIJING, China — West Germany's Daimler-Benz AG has signed the largest agreement to date for the production of heavy trucks in China.

The contract is for technology transfer and assistance along with parts supply for a truck-making venture in China's Inner Mongolia Autonomous Region.

Announcing the agreement at the start of the 1988 China Automotive Exhibition last week, Mercedes-Benz China President Michael Bassermann said the goal was to build 6,000 trucks per year ranging in size from 16 tons to over 40 tons.

The German company's partner is North Industrial Corp. (Norinco) of Beijing, one of China's largest industrial conglomerates.

Bassermann told Automotive News the agreement does not involve any direct investment by his company because Norinco is well funded and does not require additional capital.

He declined to estimate the value of the contract but said the technical cooperation aspects were being provided at cost while complete knockdown kits would be supplied on the "usual commercial basis."

Bassermann said the amount of money involved "could be a lot, or it could be a little, the idea at the moment is to get the factory running."

The current Norinco factory in Baotou, which will house the new program, makes heavy-duty off-road vehicles. Bassermann said it will be possible to start production in the first half of 1990. He stressed that there would be a fairly slow start-up, aiming for an ambitious 95 percent local content once it reaches maturity.

Negotiations for the contract started three years ago.

News of the Daimler-Benz contract comes after what appears to be the failure of the only other foreign heavy-truck-making venture, involving the Austrian company Steyr. There are also few signs of progress on the technology transfer agreement with Fiat's truck subsidiary, Iveco, for the production of medium-range trucks.

Japan's Isuzu, however, is still doing steady business at the lighter end of the market with 1.5- and 1.7-ton truck assembly at two plants.

Meanwhile, Daimler-Benz has suffered a minor setback in its attempts to make a greater impact on China's car market — losing out to Volkswagen in a bid to produce mid- and high-grade automobiles at the First Automotive Works factory.

Damiler-Benz had hoped to expand upon its contract with First Automotive Works to supply CKDs for the assembly of 1,000 limousines.

The agreement with Volkswagen is for technology and equipment transfer for the production of a new car based on the Audi 100. The Chinese optimistically forecast that they will produce 30,000 annually within three years, with production eventually rising to 150,000 per year in 1995.

Volkswagen is highly regarded in China due to the success of the Shanghai Volkswagen joint venture, which Chinese officials often cite as a model for foreign cooperation.

Report cites global might of the Big 3

Some European, Asian firms at risk

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The relatively good health of the U.S. Big 3 could mean bad times ahead for the global auto industry.

That is the prediction of a report by the International Labor Organization.

Faced with growing worldwide overcapacity in automobile manufacturing and flat or falling demand for cars in most global markets, one or two of the smaller European or Japanese auto companies may face extinction in the 1990s, the report says.

The reason for that somewhat surprising prediction is the unexpected resilience the Big 3 have shown in the United States.

In recent years, General Motors has lost market share, but Ford Motor Co. and Chrysler Motors have increased sales. Now, European and Asian automakers should worry whether the capacity they built to take advantage of a drop in Big 3 sales was a mistake, the report warns.

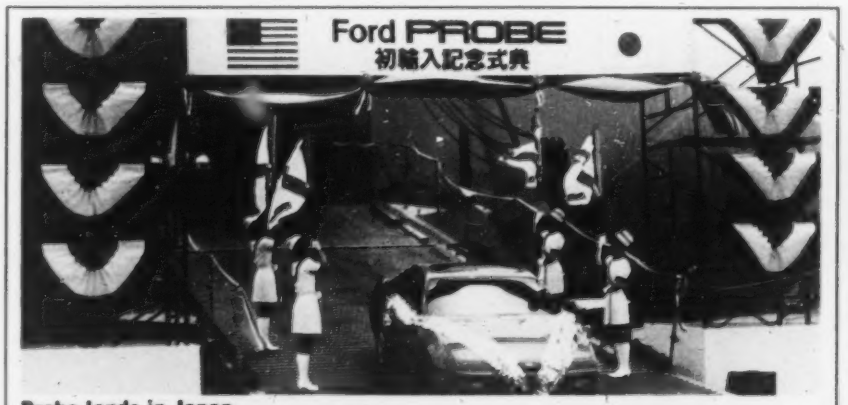
The study, "International Structural Change in the Automotive Industry: A North-South Perspective," also cautions, "If the United States does make a comeback in the major exporters' league, the market situation would be truly dramatic."

The report estimates that worldwide overcapacity was 3.3 million cars in 1985. It does not provide a more recent number, but does list the considerable new U.S. capacity built or planned since 1985. The report observes that global automotive consumption seems to be falling from its 1986 high of 33.2 million units.

The study, written by Peter O'Brien and printed in Geneva by the International Labor Organization, estimates Europe will be hardest hit by overcapacity with as much as three-quarters of the world's excess automotive output. Labor cutbacks in France, Italy and the United Kingdom can be expected to displace between 5,000 and 15,000 workers, the report says.

In the 1990s, Europe will have to find a way to cut back production, and the United States and Japan will have to jointly scale back their output, the report advises.

see STUDY, page 12



Probe lands in Japan
The first shipment of U.S.-built Ford Probes was greeted in Japan last week with a ribbon-cutting ceremony, brass band and other fanfare. Mazda Motor Corp. will begin selling the car in September.

NHTSA won't end Audi probe

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Despite pleas from Audi dealers to end its probe of alleged sudden acceleration in Audi 5000 models, NHTSA said it will continue its two-year-old investigation.

NHTSA Administrator Diane Steed on Friday sent a response declining to end the inquiry.

"It would be premature to close the investigation pending completion of the (recall) audit," she wrote.

Lee G. Seidman, a Cleveland Audi dealer and chairman of the American International Automobile Dealers Association, and Robert McElwaine, president of the dealer group, met last week with NHTSA officials to present a letter signed by 10 Audi dealers. The dealers asked that the agency end is defect investigation.

An Audi spokesman said the company did not request the meeting.

The letter demanded an "immediate end" to the probe because of the appellate court's ruling in the General Motors X-car case that said NHTSA failed to prove the car had a safety-related defect. The court also held that customer complaints alone are not evidence a defect exists.

Meanwhile, Rep. George J. Hochbrueckner, D-N.Y., and the Center for Auto Safety have started surveying members of the Audi Victim's Network and persons who have complained to NHTSA and Audi about the 5000 model. The effort was launched to keep pressure on the safety agency over the sudden acceleration issue.

Also last week, Volkswagen of America reached an out-of-court settlement in a sudden-acceleration case it lost in White Plains, N.Y., that subsequently was thrown out of court.

Judge Matthew F. Coppola had ordered a new trial because the jury had seen newspaper and television accounts and heard inadvertent references to post-manufacturing changes in the Audi 5000 contrary to court instructions.

The jury had ruled in favor of Marie Rustin, who said an earlier back injury was aggravated when her car was struck by an Audi 5000 in a drive-in bank line.

The driver of the Audi, Sally Mears, claimed her car experienced sudden acceleration. She had failed to bring the car in for two factory recalls, one for adjusting pedal height and the other to install an automatic shift lock.

Automotive News Staff Reporter Helen Kahn contributed to this report.

$4,000 rebate attacked in lawsuit against Audi

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

A $76 million suit filed in a New York court charges Volkswagen of America and Audi of America with false and deceptive practices in a current sales promotion.

The program offers former and current owners a $4,000 rebate on leftover 1988 Audi 5000s and gives salesmen $250 bonuses for selling Audi 80/90 models.

The suit has two plaintiffs, one in New York and another in Massachusetts, but seeks to represent more than 400,000 persons who received the rebate offer.

The action coincides with reports that the Federal Trade Commission is considering "bait and switch" charges against the company on the rebate offer. The commission will neither confirm nor deny that.

However, various state attorneys general have shown interest in pursuing possible "bait and switch" cases.

The New York suit charges that Audi's "Private Purchase Plan II" offering a $4,000 rebate on the purchase of 1988 Audi 5000s is "deceptive" since Audi knows it does not have enough 1988 cars to "meet reasonably anticipated response." Rather, the suit charges, the intent was to "jumpstart" sales. It says the same is true for bonuses offered to dealers and salesmen.

A spokesmen for Audi of America said the law firm simply does not understand how the car business works, especially at the end of the model year when rebates and incentives are common because stock is limited. He said the company estimates it takes 243,000 potential customers to generate 5,500 sales.

Honda official belittles work with British

By Edward Peabody
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Honda Motor Co. Ltd. has learned little technologically from Austin Rover Group Ltd., its British partner in automaking.

In fact, dealing with the British has been a frustrating experience — "much talk and negotiation with few conclusions reached," according to Nobuhiko Kawamoto, president of Honda R&D Co. Ltd., who spoke last week following the EniChem Detroit Grand Prix.

Kawamoto touched on several other subjects during a press briefing: Honda's plans to design and manufacture cars in the United States exclusively for North America; its commitment to build subcompact cars and eschew trucks; a new technical direction, which he dubbed "interfusion;" and Honda's research and development philosophies.

Honda's affair with Austin Rover Group began nearly 10 years ago. In 1981, they agreed to develop and build an upscale car — the Acura Legend/Rover 800. It reached the U.S. market as the Sterling in 1986.

Despite frustration felt by the Japanese when dealing with the British, Honda and Austin Rover eventually settled their differences because they had a product to get out, Kawamoto said. But when asked if his experience with the British had yielded Honda little technologically but much in terms of cultural frustration, Kawamoto thought for a moment, then simply replied, "Yes."

Kawamoto's remarks were "a little surprising" to Austin Rover officials. "We believe the relationship to be mutually beneficial — not one-way," said Brian Johns, Austin Rover public affairs director.

Johns noted that at the recent launch of the newest Honda-Rover joint-venture product, the Concerto, in Japan, Honda Motor Co. officials were upbeat about their relationship with Austin Rover.

He added that one of the things Honda has learned from Austin Rover is how to package car interiors.

Johns said Honda developed the powertrains and associated electronics for Legend and Sterling, and Austin Rover performed computer-aided body engineering for both companies. He added that Concerto will follow in the path of Legend and Sterling.

However, the agreement between Honda and Austin Rover to co-produce Concerto is not expected to follow the Legend/Sterling pact down the tubes. Honda and Austin Rover announced earlier this year that they will cease joint production of the luxury models this fall because of quality problems with the early British-built Legends and lower-than-expected production volumes. Honda will continue to build the Legend in Japan and Austin Rover will build Sterling in England.

On other topics, Kawamoto said Honda plans to produce cars in the United States exclusively for North America, but that is "in the very far future."

Kawamoto also spoke of Honda R&D's new technical direction, which he called "interfusion." He said Honda is not in a "fashion competition" with those that pursue with abandon the latest trends, such as turbocharging and multiple camshafts.

Rather, Honda is stressing efficiency. No matter how high an automobile's technology, it should benefit the driver, Kawamoto said.

Survey knocks some marques, lauds Cadillac

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The nation's best-known automotive nameplates are not necessarily the brands that carry the best image, according to a national consumer survey.

Take names such as Pontiac, Dodge and Volkswagen. The three are among the best-known corporate brands in the United States. But when consumers were asked how they felt about those nameplates, the three ranked low in esteem.

Landor Associates, a New York-based image consulting firm, recently asked 1,000 consumers in 12 U.S. markets about awareness and perceptions of 672 corporate brands — from cars, to soap. Landor, which has designed the Saturn Corp. logo and worked on projects for Mercedes-Benz, said it equally weighed the consumer group in terms of income level and gender.

A brand's "Share of Mind Rank" — or the level of consumer awareness about a given brand — was combined with its "Esteem Rank" — a measurement of how good its image is with consumers — to give an overall "Brand Power Rank."

Coca-Cola and Campbell's Soup were the top two brands in Brand Power Rank, followed by Pepsi Cola and communications giant, ATT.

Cadillac had the highest Brand Power Rank among the 27 automotive nameplates included in the Landor survey, while Mitsubishi scored the lowest. Cadillac ranked 26th and Mitsubishi ranked 299th in brand power among 672 corporate brands.

Stewart Owen, director of research for Landor Associates, attributed Cadillac's high score to the perception of Cadillac as "a symbol of the best."

Cadillac ranked 81st in terms of esteem and 16th in share of mind (awareness). Other automotive brands ranked higher than Cadillac in esteem but their Brand Power Ranks were diminished by lower awareness levels.

Owen noted that the domestic makers generally have very high awareness levels but do not get comparatively high esteem levels.

IMAGE RANKINGS OF 672 PRODUCTS

Automotive	Brand Power Rank	Share of Mind Rank	Esteem Rank
Cadillac	26	16	81
General Motors	27	6	199
Chevrolet	28	9	137
Rolls-Royce	30	147	8
Ford	31	14	114
Mercedes-Benz	37	94	23
Honda	62	95	64
Toyota	64	67	99
Oldsmobile	70	40	144
BMW	71	218	24
Porsche	73	123	55
Chrysler	75	54	141
Volkswagen	112	32	401
Buick	131	86	238
Jaguar	139	227	85
Pontiac	149	83	325
Dodge	163	59	452
Nissan	169	152	209
Volvo	171	179	172
Datsun	177	129	255
Ferrari	206	262	147
Mazda	207	246	170
Plymouth	225	125	418
Lincoln	244	266	220
Subaru	272	239	327
Mercury	280	254	332
Mitsubishi	299	307	284

SOURCE: Landor Associates

AUTOMOTIVE NEWS/JOE WILSBENS

Ayrton Senna's McLaren-Honda won the June 19 Detroit Grand Prix with an average speed of 82.2 mph

Ford races alone — for now

But other domestics may join for promo, engineering

By Dan Morrison, Wes Raynal and Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Despite grumbling from drivers about track conditions, auto manufacturers and suppliers involved with the seventh annual Detroit Grand Prix said they were confident the event will produce promotional and technical benefits.

EniChem, the Italian petrochemical company, reported "very positive" results from its sponsorship.

Honda's involvement continued on the racetrack — powering race winner Ayrton Senna.

A Honda Formula 1 spokesman said the company's young engineers get training in Formula 1.

"Of course, the advertising aspects of F1 are very beneficial to us as well, although I'm really not sure how much in the United States, compared to Europe and other parts of the world," he added. Honda funnels its F1 success to its advertisements for Acura.

Ford was the only domestic automaker involved in this year's Formula 1 race. Ford of Europe Engineering and Ford Electronics helped develop Thierry Boutsen's third-place Benetton-Ford car that ran with a DFR 3.5-liter normally aspirated engine.

"Since the rules have changed to phase out turbos in 1989, we're concentrating on the normally aspirated engine," said Ford Director of Special Vehicle Operations Michael Kranefuss.

"Ford Europe is planning dealer promotions next year, but a lot is dependant on how the Benetton car does next year," he said. Ford was clearly the most active promoter of the event this year, sponsoring parties and arranging media interviews.

Formula 1 also allows Ford to experiment with systems that can later be used in production cars.

Ford Electronics has developed an experimental electronic engine management system for the Benetton car. Normally under the dash in production vehicles, the Benneton car's version, called EECIV, is mounted next to the engine, where heat and dirt can get to it.

"The intention is to develop a packaging system that can withstand race conditions. If successful, it may be used in future production models," a spokesman said.

Another Ford spokesman said rule change to prohibit turbochargers in 1989 will allow more domestic makers and suppliers to become involved with Formula 1 for much less money.

Chrysler will make a go at Formula 1 in 1989 with a new V-12 Lamborghini engine in the Larrousse-Calmels car.

Asked if General Motors is considering a Formula 1 powerplant effort, Chevrolet Chief Engineer Fred Schaafsma said GM is always looking at motorsports but, "I can't confirm that we are looking at Formula 1. It would be intriguing as an engineering project. Formula 1 really is big league."

Before GM could get involved in Grand Prix racing, the company would first have to determine which products would be best to promote in the mainly European series and which name would be cast on the engine.

Three-day attendance was down from 246,000 in 1987 to 236,340 this year. CBS estimated 3.36 million U.S. viewers watched the Formula 1 race this year, 738,000 more than in 1987. Commercial sponsorship was consistent with last year, it said.

Is Chrysler about to buy DeTomaso?

Firms deny deal after stock flurry

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Speculation that Chrysler Corp. might buy DeTomaso Industries touched off last week's heavy trading and higher prices for the common stock of the New Jersey-based DeTomaso Industries, which has a 66 percent indirect equity in Maserati S.p.A.

DeTomaso Industries' common stock, which had been trading in the range of $7 a share for several months, climbed to $14 a share between June 17 and June 23, according to a stock analyst.

Traded volumes, which typically total 1,000 shares daily, reached 39,000 shares last Wednesday and 77,400 shares Thursday, according to Frank J. Lazar, vice president of Financial American Securities, Cleveland. By early afternoon Friday, 16,000 shares had been traded in a range of $10.75 to $11.50 per share.

Lazar has traded DeTomaso Industries for 10 years and followed the company for 14 years. He said Financial American controls one-third of the floating shares — shares owned by those other than Alejandro DeTomaso's family and close associates.

Lazar said that rumors of a possible purchase of DeTomaso Industries by Chrysler were fueling the heavy trading.

Both companies discounted a possible buyout. DeTomaso Industries last Thursday afternoon issued a statement stating that rumors that Chrysler would pay $40 to $50 a share in an August buyout were "absurd."

The DeTomaso Industries statement curbed the trading activity, and the stock closed at $11 per share Thursday, down from a high of $14 earlier in the day, according to Lazar.

Last Thursday, DeTomaso Industries General Counsel Howard Chase said he had spoken with Chrysler officials about the rumored August bid and had been told they were unaware of any such action.

Chase said a takeover by Chrysler could only be completed if DeTomaso Industries Chairman and President Alejandro DeTo-

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'M' is a theme line for World Congress

DETROIT — Megadealers, motorsports, media and markets will be major subjects of discussion during the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

Among faculty members tackling those topics will be: J.R. "Rick" Hendrick III, owner of Hendrick Management Corp. and Hendrick Motorsports, Charlotte, N.C.; Marian G. Confer, director of marketing services, Family Circle magazine, New York; Stuart J. Hamilton, manager of sales operations, Volkswagen United States Inc., Troy, Mich.; Leon D. Rosen, national marketing services manager, American Isuzu Motors Inc., Whittier, Calif.; and Albert T. Warner, director, motor vehicle division, office of automotive industry affairs, U.S. Department of Commerce, Washington.

Hendrick Management Corp. controls 20 dealerships in seven states. Franchises include Chevrolet, Honda, Acura, Toyota, BMW, Mercedes-Benz, Volkswagen, Volvo, Porsche, Audi, Sterling, Suzuki, Range Rover, Subaru and Kenworth. Hendrick will address the World Congress at 10:30 a.m. Monday, July 18.

Confer joined Family Circle in 1985 as research director, following five years in that post at The New Yorker. She will speak at 2:50 p.m. Monday, July 18.

Hamilton became manager of sales operations at VW U.S. this month. Previously, he was manager of market representation. Hamilton's talk is scheduled for 2 p.m. Tuesday, July 19.

Prior to joining American Isuzu eight years ago, Rosen was with Samsonite and Chinook International. Rosen's will speak at 2 p.m. Tuesday, July 19.

Warner's division in Washington is responsible for analyzing all developments within U.S. and foreign automotive industries and recommending appropriate policy options affecting the U.S. auto industry. Warner will speak at 11:15 a.m. Tuesday, July 19.

The World Congress will begin with General Motors President Robert C. Stempel's State of the Industry keynote address at 7:45 p.m. Sunday, July 17.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Kahn retires in Washington

WASHINGTON — Helen Kahn will retire June 30 after 27 years in the Automotive News Washington Bureau. She has been Washington bureau chief since 1964.

As a reporter, Kahn has long been adept at spotting Washington currents that would have a major effect on the auto industry. She was the first to recognize the impact of Ralph Nader, and she tabbed the industry-government safety confrontation as a prime story long before it became big news throughout the country.

In retirement, Kahn will continue to report for Automotive News on a part-time basis, covering the EPA and legal activities related to the industry — beats she pioneered.

Heated-windshield option will melt ice on '89 Cadillacs

ANDERSON, Ind. — General Motors' Delco Remy Division soon will begin producing a heated windshield it says will get rid of ice with the flip of a switch and will be standard on almost all cars in 10 years.

The ElectriClear windshield will melt one-tenth of an inch of ice within two minutes without any help from wipers, its designers said. Unlike the conventional electric-grid rear defogger, the ElectriClear has no lines and is just slightly tinted. It clears ice through a computerized heating system controlled by the driver.

Delco Remy, in a joint venture with Libbey Owens-Ford of Toledo, Ohio, will begin production of the ElectriClear in midsummer. It will be an option on 1989 Cadillac DeVille and Fleetwood models. Production will be 40,000 units annually at first and could rise to 3 million, Delco Remy said.

Ford Motor Co. introduced heated windshields on its 1986 Taurus and Sable and offers it on the 1988 Continental. The Ford windshield, called Insta-Clear, is a $250 option.

GM has not said how much the ElectriClear windshield will cost.

"Within the next 10 years, we're looking for this to be on 90 percent of all vehicles," said Neil Cráteau, director of new product marketing for Libbey-Owens-Ford. "We think in the next 10 years the heated windshield will be used as much as the rear-window defogger."

Libbey-Owens-Ford is not affiliated with Ford Motor Co. It developed the ElectriClear windshield in cooperation with Delco Remy. In the ElectriClear joint venture, Libbey-Owens-Ford will provide the windshield and Delco Remy will manufacture ElectriClear's power and computer systems.

ElectriClear production will require expansion of Delco Remy's alternator line and the creation of lines for the product's power module and electronic control system, a Delco Remy spokesman said. However, he said initial production will not require additional workers at the Delco Remy plant, which now employs about 7,000.

— The Associated Press

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STUDY

FROM PAGE 2

The study also theorizes that the number of automobile manufacturing and exporting nations will hold fairly constant until the world's overcapacity is addressed. The reason new countries will be unable to join the automobile manufacturing club is because new production is dependent on investment from automobile manufacturers in Europe, Japan and the United States, and they already are worried about overcapacity.

The study reports that during the past two decades global car production has increased 38 percent. Between 1980 and 1986, output in Japan and Brazil increased 240 percent; output in Spain increased 300 percent; and production in South Korea was up 500 percent.

In contrast, production fell 40 percent in the United Kingdom; remained fairly static in Italy; and increased slightly in the United States, West Germany and France. Global auto sales went up 35 percent during that period.

Between 1981 and 1985, the 12 leading companies decreased their combined output by an estimated 6.1 million vehicles, mostly by slowing down the rate of assembly, the report says.

In 1985, Renault and Peugeot-Citroen used their capacity at 69 percent and 78 percent, respectively. The figures were 80 percent for Fiat, 87 percent for Honda, 94 percent for Volkswagen-Audi and 98 percent for GM. Capacity utilization for GM and Volkswagen-Audi has declined since then.

The study points to other trends, including:

- The automobile industry will no longer be a major source of future employment. There will be fewer — but better jobs — with the emphasis on technical and engineering staffs.
- Rapid change in production and organization systems will take the competitive edge off low-cost labor. The success stories of Brazil, Mexico and South Korea will have little chance of being repeated elsewhere.
- Overall demand is unlikely to expand substantially, due mostly to slow growth in the world economy. Steady demand will mean fierce competition and protectionist pressures.
- Tight markets could increase the frequency of direct investment and joint ventures in the automobile industry.

The report said automakers must be judicious in their choice of production sites and products, flexible in their reaction to market changes and adept at managing engineering and supply systems linked to component suppliers if they are to prosper in the 1990s.

U.S. AUTO CAPACITY

Company	1985 capacity (million units)	1990 Expected capacity[a] (million units)
General Motors	5.00	5.40
Ford	1.80	1.80
Chrysler	1.35	1.65
AMC	0.13	0.13
Volkswagen	0.11	0.11
Honda	0.15	0.36
Nissan	0.07	0.24
NUMMI	0.08	0.25
Mitsubishi/ Chrysler	—	0.24
Toyota	—	0.25
Fuji/Isuzu	—	0.12
Total capacity	8.69	10.59
of which (%) ..		
United States firms	95.2	82.9
Foreign firms[b]	4.8	17.1
United States auto sales	10.70	10.80
Imports	2.71	3.40[c]
Domestic sales	7.99	7.40
Excess capacity	0.71	3.19[c]
Capacity utilization (%)	92.0	69.9[c]

[a]—Figures in this column are on best estimates available at the time of writing. Changes could, of course, occur either because additional foreign firms decide to construct plants which come on stream quickly (e.g. Hyundai) an American firm is closed down (e.g. AMC), or present calculations of the date at which plants will reach full capacity working turn out to be too optimistic.

[b]—NUMMI, a 50/50 joint venture between Toyota and GM, is treated as a foreign firm for purposes of this calculation.

[c]—This figure assumes that foreign-based firms realize their current production and marketing plans and that no further protective barriers are imposed.

[d]—Assuming that there are no CBU exports from the United States. If there are, excess capacity would fall and capacity utilization rates rise.

SOURCES: Industry journals

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O

LaForza selected as new name for Fissori sport-utility in U.S.

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

HAYWARD, Calif. — Fissori North America is changing its name but still expects to have a Range Rover-class vehicle on sale by October.

The new corporation is called LaForza Automobiles Inc., after buying out Italian coachbuilder Rayton Fissore's interest in the luxury sport-utility vehicle, said Robert P. Oliver, chairman and chief operating officer.

LaForza also will be the name of the vehicle, which originally was to be on sale late this summer as the Fissori (the U.S. spelling was changed as a prononciation guide).

"It would have been wrong to call it a Fissori because it won't be their vehicle any more anyhow," Oliver said. "We thought we might as well just bite the bullet on the name change before we had dealers and vehicles on the road."

Oliver said the manufacturing process will remain essentially the same even without Rayton Fissore. The LaForza chassis and body will be still be sourced in Italy and shipped to Cars & Concepts in Brighton, Mich., where a 5-liter Ford V-8 engine and a shift-on-the-fly, four-wheel-drive transfer case and Ford automatic overdrive transmission will be added.

LaForza is still projecting sales of 2,000 units the first 12 months, starting with about 30 dealers this summer and 60 by year end. The vehicle will have a retail price of $38,850.

While the volume and price are similar to Range Rover, Oliver said LaForza has more potential than the British 4wd luxury import, despite starting with a unknown name. LaForza means "the strength" in Italian.

"It's a larger vehicle than the Range Rover and we'll be aiming at a different market, selling it as more of a touring vehicle," Oliver said.

LaForza also has committed itself to greater volume, based on favorable marketing studies and dealer response, plus the greater production capability of its Italian supplier, Oliver said. The company garnered more than 300 dealer inquiries at the National Automobile Dealers Association convention last February in San Francisco, he said.

Rayton Fissore, which introduced a diesel version of the vehicle several years ago, called Magnum in Europe, was bought out by LaForza's British-based parent company, Automotive Industries. Automotive Industries also is the majority stockholder of an Italian manufacturing liaison office in Turin.

Boats called good line for auto dealers

By John A. Russell
SPECIAL CORRESPONDENT

NEW YORK — A major boat manufacturer and a marketing company in South Carolina have joined forces to expand a boat dealer network utilizing auto dealers.

The marketing company, North American International Marine Co. Ltd. of Columbia, S.C., is calling the boat franchise the "sixth profit center" for auto dealers.

The firm is headed by Michael Cary, a former Toyota regional executive and auto dealer. It is spearheading the drive for Sun Runner Marine of Spokane, Wash.

Dave Henry, chief executive officer of Sun Runner, said that as the marine business grows, auto dealers are ideal candidates for a marine franchise. Among the advantages for dealers, he said, are better margins on boats and the fact that most inboard engines are based on auto engines so dealer service staffs already are familiar with the powerplant.

"Auto dealers are aggressive and understand flooring," he said. Dealers also understand finance and insurance and know how to retail products, he added.

He termed this concept the "wave of the future," saying that the concept of buying a boat from a dealer "on the water" is "outmoded."

Cary said the marine business is an ideal profit center for the auto dealer and auto dealers bring to the marine industry a retail sophistication.

And the grosses for the dealer are high — they average $2,500 to $5,000 per sale.

Sun Runner has been in business for 14 years. It produces boats in various lengths from 16.5 feet to 61 feet. Cary said the auto dealer only has to utilize his existing capacity and can floorplan the inventory.

He said dealers have all the necessary facilities to take advantage of this concept. The boats arrive at the dealership on trailers, ready to go and covered. The dealer can use the space on his lot and stock replacement parts in his parts department.

Sales and service training will be provided by North American International Marine Co. Ltd., Cary said, adding that the dealer needs only one mechanic and a salesman to support the operation.

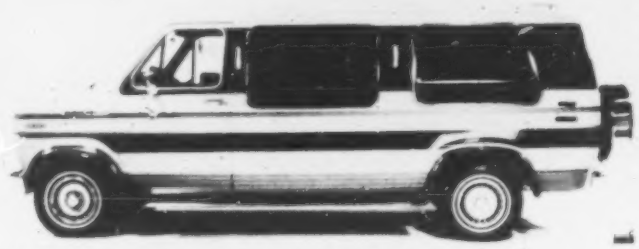
The boat business itself is booming, he said, especially since several major financial institutions, including General Motors Acceptance Corp., are now financing boats. The total pleasure boat business is approximately $16 billion per year.

And, Cary said, the business is not confined to coastal areas. Boat sales are brisk in any area near lakes, he said.

A marine division for auto dealers can supply extra profits by using existing facilities and personnel, Cary said.

Sun Runner is offering an exclusive franchise area, Cary said. The franchise agreement is with Sun Runner, not with North American International, and the company offers a lifetime warranty on the hulls of its boats.

Cary said he is targeting entry-level buyers with the program.



Royal Vans' top-of-the-line Southern Belle conversion model

Texas firms rebound

7 van converters in top-volume ranks

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Since the 1984-1985 slump in the oil patch, Texas — and the Southwest — have been staging a comeback in the van conversion business.

Seven Texas van conversion pool companies were included in Automotive News' recent compilation of top-volume converters, underscoring the importance of the region.

Bentley Good Times Van, Grandview, Texas, is Chevrolet's ninth largest converter. High Caliber Vans, Mansfield, Texas, and Regency Vans Inc., Arlington, Texas, ranked sixth and seventh, respectively, on Dodge's list.

Road Runner Vans Inc., Richardson, Texas, had the eighth fastest retail turnover rate among Dodge pool accounts.

Tra-Tech, Fort Worth, Texas; Premier Editions, Marshall, Texas; and Royal Vans of Texas Inc., Round Rock, Texas, also made the top 10 volume lists for GMC and Ford.

Royal Vans, a Ford-only pool account, has been a particularly fast mover this year. Its 33 percent sales increase will put it well over 1,000 wholesale deliveries in the 1988 model year, according to Timothy Buck, vice president of the family-owned firm. His father, Raymond Buck, is president.

Like many other Ford converters, the company is selling every chassis it can get and could do better if it had more product to sell.

Equally important, though, is Royal's retail turn rate.

Buck said Royal has been at or near the top of Ford's turn-rate list the past several months "because we've been concentrating on dealers who are aggressively marketing our vans and working closely with them in that regard."

Ford does not publish its retail turn rate, but does give individual dealers their ranking over the phone.

Royal Vans has been operating autonomously since 1982. Prior to that, it was a part of Royal Coach, which is now part of the Gerwin organization. The converter distributes throughout Texas, Louisiana, Oklahoma and Arkansas and, to a lesser extent, Kansas.

Its current expansion plans center on trying to pick up another bailment pool account from Chevrolet or GMC.

For the most part, Royal Vans plans to continue concentrating on its current markets, expanding its presence there and slowly expanding geographically.

Royal Vans has about 70 dealers, the majority very aggressive in retailing van conversions, Buck said.

The company works closely with them to develop their profitability in selling its products. It helps them develop advertising and works on keeping customers happy after the sale through quality product, warranty and service, he added.

Right now, it has enough dealer orders to carry it well through the summer.

Buck described his conversions as "classy and elegant, but attractively priced." The majority wholesale in the $3,500 to $4,500 range on full-sized chassis.

For 1989, Royal plans to stay with the formula that has made it successful, without any drastic change in products or image, Buck said.

Shipments move up, but dip is predicted

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Wholesale RV shipments continued to rise in April, though some forecasters look for a slight decline in the third quarter.

John W. DeWolf, economic consultant to the Recreation Vehicle Industry Association, said the recent sharp rise in interest rates makes a sales dip almost inevitable, though he believes it will not approach the status of an industry recession.

He said he believes the drop will show up in the third quarter.

As a result, DeWolf is now predicting wholesale shipments of 219,000 units in 1988, up slightly from 218,300 last year.

He predicted that "towables," including travel and park trailers, fifth wheels and folding camping trailers, will be up 5 percent; truck campers will be up 4 percent; while motor homes will be off more than 8 percent.

With their strong first-quarter start, van conversions are expected to have their best year ever. DeWolf sees a gain of almost 3 percent to 187,000 units in 1988.

However, he believes that in 1989 van conversion shipments could fall between 9 percent and 10 percent, to just below 170,000 units.

For the first four months of calendar 1988, van conversion shipments totaled 66,300, up 5.07 percent over 63,100 a year earlier.

Conversion shipments in April totalled 18,800, a 12.57 percent rise over the 16,700 shipped in April last year.

Total RV shipments of 43,000 in April were up 6.44 percent over 40,400 a year earlier.

For the first four months of calendar 1988, RV shipments totaled 148,000, a 3.79 percent increase.

Meanwhile, shipments of van chassis without seats from Detroit manufacturers to converters dropped off in April. The four major domestic van suppliers shipped 21,200 van chassis with the seat-delete option in April, a 7.42 percent drop from 22,900 a year earlier.

They shipped 17,000 full-sized van chassis in April, a drop from 19,600 last year, and 4,200 compact chassis, up from 3,300 last year.

Manufacturers shipped 86,000 chassis to converters during the January-April period, up 1.29 percent from 84,900 in first four months of 1987.

They also shipped 69,000 full-sized chassis during that period, compared with 71,900 in like 1987, and 17,000 compact van chassis, up from 13,000 a year earlier.

One of the reasons for the decline in April's van chassis shipments was the chassis shortage Ford has been experiencing.

Because of the strength of its chopped van business, Ford has been funneling more Econolines into the high-cube/parcel-delivery van market and also has been continuing chopped van shipments to the RV side of the market.

Recreational Vehicle Wholesale Deliveries

	April 1988	April 1987	% change	4 mos. 1988	4 mos. 1987	% change
Travel trailers	7,600	7,400	+ 2.7	23,400	24,200	- 3.3
Park Trailers	700	600	+16.7	2,600	2,300	+13.0
Travel trailers—fifth wheel	3,600	2,900	+24.1	11,400	9,300	+22.6
Folding camping trailers	3,800	4,100	- 7.3	15,600	14,500	+ 7.6
Truck campers	1,200	1,200	+00.0	3,800	3,700	+ 2.7
Towable RV total	16,900	16,200	+ 4.3	56,800	54,000	+ 5.2
Conventional (type A)	4,000	3,800	+ 5.3	14,200	13,400	+ 6.0
Van Campers (type B)	500	700	-28.6	1,700	2,300	-26.1
Chopped ...ns (all)	2,800	3,000	- 6.7	9,600	9,800	- 8.2
Motor home total	7,300	7,500	- 2.7	24,900	25,500	- 2.4
Van conversions	18,800	16,700	+12.6	66,300	63,100	+ 5.1
TOTAL ALL RVs	43,000	40,400	+ 6.4	148,000	142,600	+ 3.8

Source: Recreation Vehicle Industry Association

RV firms retain sales rights at Kansas shows

RESTON, Va. — Members of the recreation vehicle industry in Kansas were successful in preserving their right to sell RV products to consumers at RV shows throughout the state, though a new rule taking effect there is likely to impact the automotive market.

The Recreation Vehicle Industry Association said the RV industry successfully gained exclusion from the new Kansas law, HB 3085, which would have prohibited all sales at vehicle shows and limited sales to the dealers' established places of business.

Dianne Farrell, RVIA vice president of government affairs, said, "Bills like this outlawing sales at vehicle shows are intended more for the automotive than the RV industry.

"Typically," she said, "they are introduced at the request of state new-car dealer associations to alleviate the problems their members have with rental-car firms that sell new and used rental models at significantly lower prices than local auto dealers in communities without appropriate dealership facilities for warranty and repair service."

RVIA lobbied state officials nationwide for two years to get RVs excluded from proposed legislation that prohibits the sale of vehicles at shows.

In addition to its recent victory in Kansas, the association has succeeded in Georgia, Texas, Utah, Maryland, Missouri, Oklahoma, California, Washington, Kentucky and Illinois.

It plans to pursue exemptions from similar legislation in all other states that threaten to prohibit sales at vehicle shows.

Meanwhile, RVIA tentatively set July 27-28 as the drawing dates for supplier and manufacturer exhibit space, respectively, at its 36th annual RVIA Recreation Vehicle Show in Los Angeles in November.

Bob Lee, president of Country Coach Inc., Junction City, Ore., and chairman of RVIA's Los Angeles show committee, said supplier and manufacturer space will be assigned by lottery, starting at 9 a.m. each day at RVIA's Western region office in Orange, Calif.

First draw will go to RVIA members with seniority as show participants, second draw to all other RVIA members and third draw to nonmember exhibitors.

Suppliers received initial space offerings in late May. To participate in the space drawing, supplier exhibitors must submit their application with a 50 percent deposit no later than July 21.

The initial offering of space to manufacturers brought requests from 75 exhibitors, covering 391,234 net square feet.

To participate in the space drawing, manufacturer exhibitors must submit a deposit for 40 percent of the cost of their space request by July 21.

Any applications with deposits received after the specified deadline will be assigned space after all other requests for space have been assigned.

Potential exhibitors are not required to be present at the drawings. However, persons planning to attend must notify RVIA's Western region office in writing by July 21.

Exhibitors attending the drawing will not be permitted to change their written booth selections during the space assignment procedures. Booth selections may be changed on a first-come, first-served basis only after all exhibitors participating in the drawing receive their contracts for space and booth assignments.

The show will be held at Dodger Stadium in Los Angeles and is the largest event of its kind in the Western United States. It is open to the trade Nov. 1-2 and to the public Nov. 4-13.

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AROUND THE WORLD

REGISTRATIONS

UNITED KINGDOM — Cars

	4 mos. '88	4 mos. '87
BMW	14,191	13,393
Daihatsu	696	1,745
Fiat Auto	27,890	28,572
Fiat	25,330	21,997
Lancia	1,397	1,181
Alfa Romeo	1,143	434
Ford	169,024	132,856
FSO	1,877	1,552
GM-Vauxhall	112,429	98,519
Honda	8,200	7,060
Hyundai	3,542	2,351
Isuzu	1,096	755
Jaguar	5,378	4,118
Lada	9,705	7,100
Lotus	208	164
Mazda	8,484	4,864
Mercedes-Benz	8,764	6,145
Mitsubishi	4,333	4,193
Nissan	38,708	25,123
Panther	0	28
Peugeot SA	62,428	47,280
Citroen	23,046	14,799
Peugeot/Talbot	39,382	32,441
Reliant	58	57
Renault	31,875	28,804
Rolls-Royce	333	328
Rover Group	115,593	111,166
Austin Rover	112,869	108,446
Range Rover	1,781	1,743
Saab	3,708	3,573
Skoda	6,398	4,185
Subaru	1,743	1,559
Suzuki	2,280	1,388
Toyota	12,991	11,542
Volkswagen	41,994	42,958
VW-Audi	39,518	40,212
Seat	2,448	2,774
Volvo	28,255	28,219
Zastava	2,809	2,535
Others	413	251
Total	769,701	660,899

WEST GERMANY — Cars

	6 mos. '88	6 mos. '87
BMW	3,366	2,134
Daihatsu	582	519
Fiat Auto	3,437	3,430
Fiat	2,830	2,193
Lancia	22	704
Alfa Romeo	583	533
Ferrari	22	5
Ford	18,316	14,286
GM-Opel	13,156	13,220
Honda	2,361	1,576
Isuzu	102	46
Jaguar	86	39
Lada	754	617
Lotus	7	8
Maserati	16	1
Mazda	8,128	5,844
Mercedes-Benz	4,087	3,030
Mitsubishi	2,569	1,222
Nissan	9,188	5,858
Peugeot SA	6,400	4,252
Citroen	2,093	1,579
Peugeot/Talbot	4,347	2,673
Porsche	151	99
Renault	1,988	1,821
Rolls-Royce	7	7
Saab	11,985	12,229
Skoda	30	42
Subaru	781	709
Suzuki	1,492	882
Toyota	11,519	8,972
Volkswagen Group	16,334	15,713
VW	10,115	9,992
Audi	6,224	5,721
Volvo	33,415	31,478
Others	33	22
Total	147,139	127,859

BRAZIL (sales) — All vehicles

	4 mos. '88	4 mos. '87
Agrale	322	518
Engesa	85	150
Fiat	28,775	33,412
Ford	42,630	43,749
General Motors	61,541	45,466
Gurgel	436	693
Mercedes-Benz	11,822	11,014
Saab-Scania	1,513	1,129
Santa Matilde	0	12
Toyota	1,403	1,107
Volkswagen	73,230	66,431
Volvo	894	821
Total	214,689	199,644

SWEDEN — Cars

	6 mos. '88	6 mos. '87
BMW	799	739
Dacia	24	57
Daihatsu	480	677
Fiat Auto	2,089	2,868
Fiat	1,799	2,855
Lancia	42	58
Alfa Romeo	186	177
Ferrari	1	0
Ford	4,283	5,538
FSO	89	248
GM U.S./Opel	6,889	7,881
Honda	795	829
Jaguar	19	19
Lada	551	1,402
Mazda	3,981	4,257
Mercedes-Benz	439	594
Mitsubishi	589	969
Nissan	1,938	2,065
Peugeot SA	4,729	4,460
Citroen	2,117	2,565
Peugeot/Talbot	2,668	1,895
Porsche	2	7
Renault	380	141
Rover Group	187	188
Saab	193	371
Skoda	821	1,124
Subaru	171	124
Suzuki	138	88
Toyota	4,318	5,019
Volkswagen Group	3,460	3,330
VW	2,914	2,436
Audi	394	538
Seat	152	356
Volvo	1,682	1,814
Wartburg	117	305
Zastava	166	362
Total	36,418	45,788

WEST GERMANY — Cars

	4 mos. '88	4 mos. '87
Alpina	97	88
BMW	57,532	49,819
Daihatsu	3,976	3,088
Fiat Auto	49,959	49,702
Fiat	44,964	42,998
Lancia/Alfa Romeo	4,916	6,912
Ferrari	199	182
Ford	86,956	91,817
GM-Opel	142,039	148,757
Honda	15,141	14,494
Isuzu	2,056	1,987
Jaguar	736	773
Jeep	729	288
Lada	3,460	3,923
Mazda	30,361	28,353
Mercedes-Benz	163,782	161,796
Mitsubishi	18,957	22,851
Nissan	25,294	25,268
Peugeot SA	36,822	41,222
Citroen	13,589	14,261
Peugeot/Talbot	26,322	26,548
Porsche	2,789	3,174
Rover/Metro	32,344	32,029
Rover Group	3,019	3,234
Saab	1,285	1,633
Skoda	689	788
Subaru	4,537	5,188
Suzuki	6,883	6,235
Toyota	25,481	28,367
VW Group	285,417	272,372
VW	196,810	200,548
Audi	84,430	68,871
Seat	4,317	2,953
Volvo	1,448	1,094
Others	872	929
Total	941,367	947,488

JAPAN — Cars

	3 mos. '88	3 mos. '87
Daihatsu	21,083	21,478
Fuji	20,368	18,364
Honda	169,050	74,328
Isuzu	13,328	14,918
Mazda	51,282	50,009
Mitsubishi	54,082	44,102
Nissan	242,775	220,907
Suzuki	17,351	15,686
Toyota	449,727	393,144
Imports (all)	25,175	19,506
Total	966,787	891,884

Vans, trucks, buses

Daihatsu	116,359	103,694
Fuji	69,138	69,116
Hino	16,891	12,526
Honda	45,648	61,539
Isuzu	36,910	29,077
Mazda	44,218	37,284
Mitsubishi	117,439	103,372
Nissan	82,082	71,878
Nissan Diesel	9,312	7,277
Suzuki	116,716	113,491
Toyota	122,154	104,664
Imports (all)	182	49
Total	774,049	707,747
Total Vehicles	1,770,898	1,576,686

PRODUCTION

JAPAN — Cars

	3 mos. '88	3 mos. '87
Daihatsu	40,282	43,736
Fuji	70,692	74,244
Honda	282,327	246,464
Isuzu	39,089	51,990
Mazda	219,411	212,143
Mitsubishi	150,524	139,243
Nissan	167,334	482,982
Suzuki	78,283	71,804
Toyota	747,586	642,972
Total	2,041,177	1,894,534

Vans, trucks, buses

Daihatsu	125,992	114,126
Fuji	93,084	98,326
Hino	19,527	14,249
Honda	80,509	84,606
Isuzu	104,134	90,316
Mazda	86,163	98,772
Mitsubishi	170,217	165,946
Nissan	113,145	135,729
Nissan Diesel	12,259	8,016
Suzuki	142,918	135,911
Toyota	303,601	295,121
Others	* 88	87
Total	1,171,397	1,147,943
Total Vehicles	3,212,774	3,168,631

FRANCE — Cars

	9 mos. '88	9 mos. '87
Peugeot S.A.	488,529	486,786
Citroen	197,293	171,488
Peugeot/Talbot	283,370	255,339
Renault	378,033	377,651
Total	886,891	809,466

Vans, trucks, buses

Matra	29	56
Iveco-Unic	10	19
Peugeot S.A.	43,053	42,072
Citroen	22,295	19,609
Peugeot/Talbot	23,758	25,416
Renault/MVI	70,888	73,466
Bovers	14	36
Total	122,965	115,661
Total Vehicles	889,688	916,117

Argentine engines to power new Brazilian Fiat in 1991

SAO PAULO, Brazil — Fiat Automoveis SA, the wholly owned Brazilian subsidiary of the Italian automaker, is planning to use Argentine-built engines exclusively in a new medium-sized vehicle being readied for introduction in 1991.

The engines will be supplied by Fiat affiliate Sevel, which builds cars under license in Argentina. The company also makes the 1.5-liter engines that power Fiat's Brazilian-built Uno line of cars.

Sevel builds Fiat's Regatta, for which it makes 1.6- and 2-liter engines, in Argentina.

A Fiat Automoveis source said the company is considering bringing in two versions of the 2-liter engine built by Sevel, a standard and a high-performance model, and perhaps adding the 1.6-liter later.

The new car, which some insiders are calling the "new Regatta," may actually be a sedan version of the Tipo that was introduced recently in Europe. It would compete in Brazil's prime market segment against top sellers like General Motors' Monza and Volkswagen's Santana.

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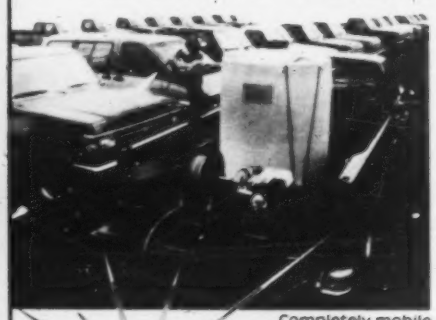

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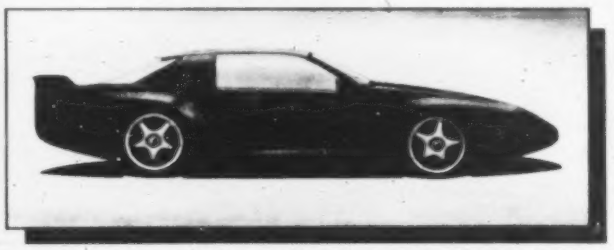

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AROUND THE WORLD

European car sales move ahead

Gain resumes after one-month lapse; Peugeot leads advance

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Following a decline in April — the first in 15 months — European new-car sales rebounded in May.

Peugeot S.A. made the biggest spurt, advancing 21.8 percent in unit sales for the month and strengthening its grip on third place in Europe over Ford.

Industrywide sales rose 4.3 percent in May, compared with the year-earlier month, after a 3.2 percent drop in April, according to industry estimates compiled by Automotive News. For the first five months of 1988, sales were 5.4 percent ahead of the 1987 pace, which brought a record total of 1.24 million for the full year.

Total sales in May were 1,170,400 units in the 17 West European nations, up from 1,122,600 in May 1987. The five-month total was 5,719,100, compared with 5,424,000 for the same period last year.

Fiat remained No. 1 through five months of 1988, but Volkswagen AG — Europe's sales leader in the previous three years — is closing the gap.

Fiat Group sales, including Lancia and Alfa Romeo, amounted to 887,900 cars through May, an increase of 8.5 percent and good for 15.5 percent of the market. VW AG, with Audi and Seat, was in second place with 14.4 percent. VW's volume was 2.8 percent ahead of last year through May at 822,000 units. However, VW outsold Fiat in Europe in April and May, gaining ground in the United Kingdom and Spain and maintaining its first-place 29 percent share in Germany.

The telling battle between VW and Fiat will be waged later in the year as supplies improve for Fiat's new Tipo subcompact and VW's new Passat intermediate.

Peugeot S.A., buoyed by its one-year-old 405 model and the continuing strength of the 205 and 309 ranges, is making the biggest advance among Europe's six volume manufacturers.

The French group's European market share — including both Peugeot and Citroen — was 12.7 percent through May, a full percentage point higher than the same period last year.

Peugeot SA's 21.8 percent jump in May reflected increases of 45.3 percent in the United Kingdom, 46 percent in Spain and 10.5 percent in Italy. Sales also grew 24.3 percent in France in May, outperforming the overall market.

For five months, Peugeot SA was up 15.3 percent in Europe, with sales of 728,900. Automobiles Peugeot climbed 19 percent — to 451,100 units — and Citroen was up 11 percent for the year.

Fourth-place Ford held 11.5 percent of the European market after five months with sales of 656,500. That was only 1.8 percent better than 1987; however, momentum was stalled earlier this year by a 10-day strike in the United Kingdom, Ford's best European market.

General Motors was up 1.6 percent to 609,500 in 1988, a 10.7 percent share of the market. Renault was sixth with 582,800, a 3.5 percent gain and a 10.2 percent share.

BMW is riding high with the new 5 series that was introduced in January. European sales for the German specialty manufacturer in January-May were 12.2 percent over last year's, a rate of increase second only to Peugeot's.

BMW sales totaled 147,200 in the first five months with just over half that amount in West Germany. BMW was up 15.6 percent in its domestic market after losing market share in 1986 and 1987.

Combined Japanese sales were 628,800 through May, a growth of 6 percent or about the same as the overall market. The Japanese share of the European market remains at about 11 percent.

Nissan continued to rank first among Japanese makes with sales of 159,700 through May and a 2.8 percent share of the total market.

West Germany held on as Europe's largest national market with 1,215,900 unit sales in five months. But German new-car volume was down 1.3 percent for five months, and May sales were off 3.7 percent.

Second-place Italy with 1,024,900 sales during the five-month period was up 8.5 percent over last year, while the United Kingdom was up 10.4 percent at 936,100 and France rose 8 percent to 911,400.

The Italian market increased only 1.4 percent in May, while France gained 18 percent and the United Kingdom was up 10.8 percent during the month.

In April, Spain suffered its first monthly decline since the summer of 1986, but it recovered in May. Sales in Spain improved 13.3 percent during the month and were 14.7 percent ahead of 1987's pace, which resulted in a record 925,000 sales for the full year.

EUROPEAN SALES

Manufacturer	5 months 1988	1988 share*	4 months 1987	Change 88 vs 87
Fiat Group**	887,900	15.5	818,000	+ 8.5
VW-Audi-Seat	822,000	14.4	799,000	+ 2.8
PSA***	728,900	12.7	632,300	+15.3
Ford	656,500	11.5	644,700	+ 1.8
General Motors****	609,500	10.7	600,100	+ 1.6
Renault	582,800	10.2	563,100	+ 3.5
Mercedes-Benz	201,900	3.5	190,000	+ 6.6
Austin Rover	192,000	3.4	185,500	+ 3.5
Nissan	159,700	2.8	144,300	+10.6
Toyota	149,300	2.6	147,000	+ 1.6
BMW	147,200	2.6	131,200	+12.2
Volvo	120,800	2.1	122,000	- 1.0
Mazda	110,800	1.9	100,300	+10.4
Mitsubishi	66,200	1.2	69,900	- 5.3
Honda	61,700	1.2	57,400	+ 7.5
Others	221,900	3.9	219,200	+ 1.0
Total	5,719,100	100.0	5,424,000	+ 5.4

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	5 months, 1988	Percent gain/loss
West Germany	1,215,900	- 1.3
Italy	1,024,900	+ 8.5
United Kingdom	936,100	+10.4
France	911,400	+ 8.0
Spain	434,700	+14.7
Netherlands	266,200	-12.7
Belgium-Luxembourg	227,700	+ 8.7
Switzerland	147,600	+ 6.5
Sweden	147,100	+15.2
Austria	114,800	+ 6.2
Finland	82,000	+14.2
Portugal	79,400	+48.6
Denmark	44,700	-23.7
Norway	32,000	-38.5
Ireland	31,700	+ 6.7
Greece	22,900	+ 6.7
Total	5,719,100	+ 5.4

Toyota boss sees sales record for Japan

TOKYO — Shoichiro Toyoda, president of Toyota Motor Corp., predicted that car sales in Japan are likely to rise 11.8 percent this year to a record 4.85 million units.

He based the prediction on strong growth in the domestic economy.

Toyoda said his firm expects to sell 2.1 million cars in Japan this year, up from the last year's record 1.87 million. That would be an increase of 190,000 units over the target the company set last January.

Toyota's share of the total domestic market was 43 percent in 1987.

Toyoda said Toyota expects to keep 1988 exports at last year's level of 1.77 million cars.

The strong sales in Japan contrast with weakness in car exports. In January, Toyoda said Toyota's 1987 exports fell 6 percent from 1.88 million in 1986 and were expected to dip to 1.75 million in 1988. At that time, he cited the high value of the yen and reforms in the United States tax system as the cause of sluggish exports.

Toyoda

The Japanese yen has doubled in value against the U.S. dollar in the last three years, driving up the cost of exports, including cars, and reducing the competitive edge of Japanese manufacturers.

Mikio Okazaki of the Japan Automobile Dealers Association said car sales in Japan in the first five months of this year totaled 2.06 million, an increase of 34.3 percent over the year-earlier period.

If the trend continues throughout the year, 1988 sales would exceed the record 4.344 million cars sold in 1987, he said.

In addition to the promising trend in domestic business, Okazaki said consumers are moving to areas far away from Tokyo because of soaring land prices in the capital and its surrounding areas. That is also fueling the demand for cars, he said.

— The Associated Press

Vehicles are younger

Polk reports big decline in median age

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

The aging trend of the vehicle population in the United States reversed dramatically in 1987.

In its yearly car and truck census, R.L. Polk & Co. reported that the median age of the car population was reduced from 7.0 years on July 1, 1986, to 6.1 years on June 30, 1987. The median age of trucks dropped from 7.7 years to 7.2.

The younger car population does not reflect increased scrappage of older vehicles, according to R.D. Borthwick, vice president and manager of aftermarket services in Polk's motor statistical division.

"Cars older than 10 years are being pulled off the registration rolls at normal rates," he said.

It also does not necessarily mean more people are buying new cars.

"The age of the fleet in general or gross scrappage don't have too much to do with new-car sales," observed David Healy, automotive analyst, Drexel Burnham Lambert. He said it is useful to look at the number of two- to five-year-old vehicles on the road as a measure of market saturation.

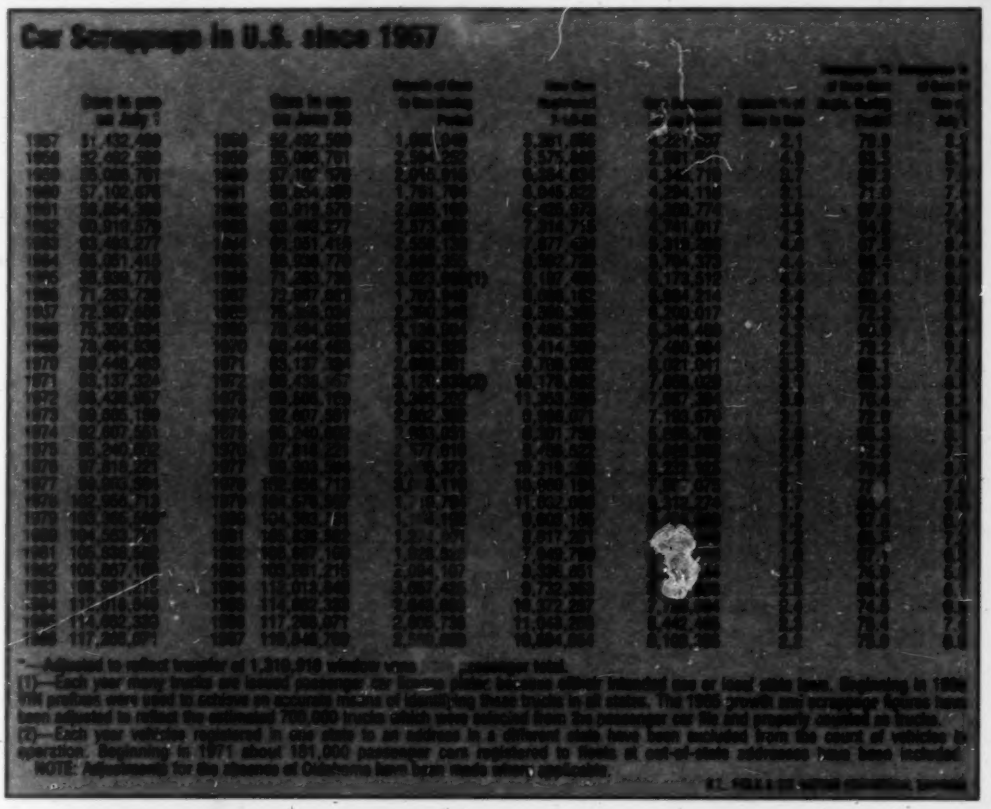
Two factors affected median age, Borthwick said. Three years of weak sales in the early 1980s were followed by strong sales for four years that helped reduce the age of the total fleet.

Nearly 120 million cars traveled U.S. roads in 1987, an increase of 2.2 percent. The truck population grew 5.6 percent to 47.34 million.

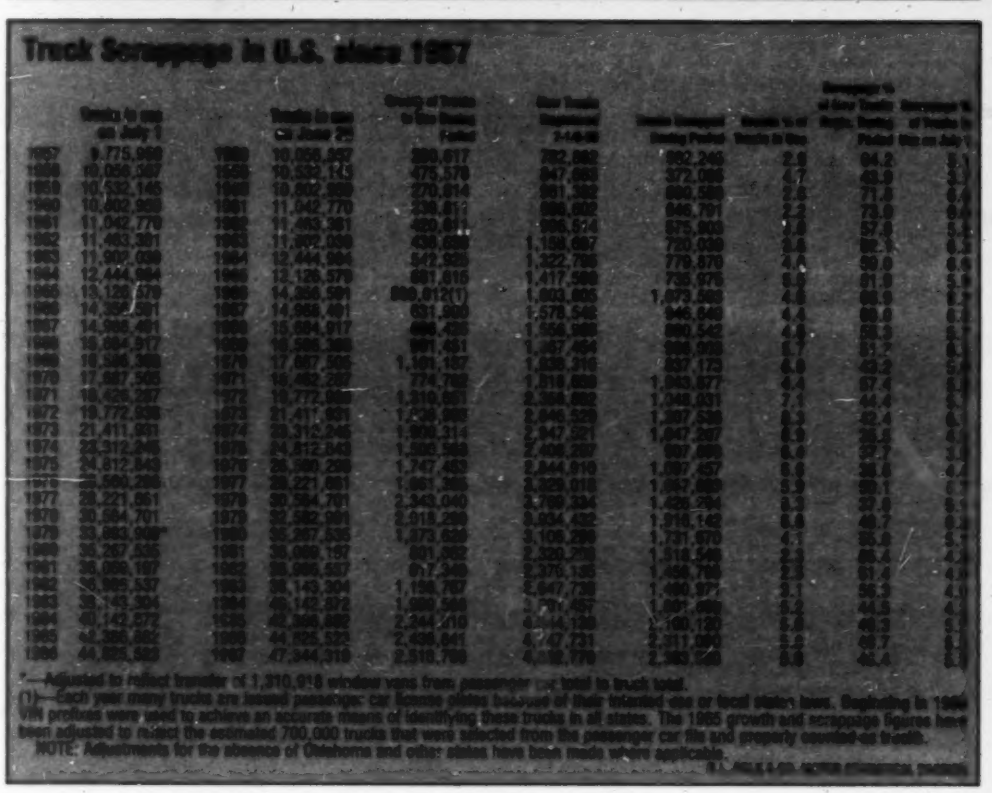
The number of cars scrapped dropped by more than 300,000 units to 8.10 million cars in the year ended June 30, 1987, compared with the record 8.44 million units the prior year. At the same time, new-car registrations fell 400,000 units to 10.7 million.

Truck scrappage reached a record 2.36 million units in the year ended June 30, 1987. It rose about 50,000 units over the prior year's record. New-truck registrations rose for the seventh consecutive year to a record 4.88 million.

Car Scrappage in U.S. since 1967



Truck Scrappage in U.S. since 1967



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REOPEN

Auburn museum welcomes visitors

AUBURN, Ind. — For months the dust has been flying, but now it is settling and the Auburn-Cord-Duesenberg Museum has reopened exhibit areas that had been closed because of construction.

More than 140 automobiles are on display in those areas.

Parts of the museum had been closed due to installation of new heating/air conditioning and sprinkler systems. Most of the work now has moved outside to complete a new roof.

The museum building originally housed the administrative offices of Auburn Automobile Co., which closed in 1937. Auburn was a subsidiary of Cord Corp., which manufactured Auburn, Cord and Duesenberg vehicles.

After Auburn closed, several businesses occupied the building until the early 1970s when Auburn Automotive Heritage Inc., a citizens group, purchased the building, restored it and reopened it as the Auburn-Cord-Duesenberg Museum.

Porsche expects fewer sales, fewer dealers

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Porsche Cars North America is planning for sales of 17,000 to 18,000 vehicles in 1989 and will probably lose some of its smaller dealers as a result.

Porsche's U.S. sales network currently numbers 315 dealers.

Speaking to the Washington Automotive Press Association, John Cook, company president, said he thinks it is likely that Porsche dealers "who are only selling six cars a year will come to us and want out of their franchise." However, "We do not have a secret plan to get rid of our U.S. dealers," he said.

"I think dealers with small volume will have to ask themselves whether their sales justify the investment that is needed to sell and service Porsche cars," he said. Cook did not say how many of Porsche's dealers are selling "six cars a year," nor did he speculate on how many dealers might drop the franchise.

Cook said Porsche plans to take its vehicles upscale in 1989 by raising prices and abandoning its lowest-priced model, the 924-S, at the end of this year. Cook predicted Americans will not be able to buy a Porsche for less than $38,000 in 1989. The base 924-S now is $26,560.

Porsche sold 23,632 cars in the United States in 1987, following sales of 30,471 in 1986.

"Higher prices will be good for dealers because they will realize a higher unit profit; good for customers because there will be less depreciation; and good for the company because we will make more money," he said.

On a more candid note, Cook added that the move to higher prices also reflects Porsche's attempt to make "lemonade out of lemons." Referring to the unfavorable exchange rate between the United States and West German currencies, Cook said, "We can't change the currency. We cannot afford to build profitably in the lower price range."

Cook said part of Porsche's plan to rebuild its exclusive image includes the one-year sale of 700 to 800 Speedster models in the United States. The Speedster will sell in the $60,000 range and will be a big hit with collectors, he predicted.

Cook made light of Porsche's showing at the Indianapolis 500 last month, calling its entry the "three-wheeled Indy car." Porsche's much-heralded debut at Indianapolis ended on lap 29 when a rear wheel came off.

He said that despite setbacks, the company is committed long-term to the Championship Auto Racing Team series.

"Roger Penske didn't win his first year at Indy, and I think it will take us about three years to get where we want to be," he said. "We kind of limped into Indy this year and I think our engineers' pride has been stung. I have the impression they will work hard next year."

He said a top priority is to race with a Porsche chassis, rather than the March chassis used last month. "Porsche will win with a Porsche car at some point," he said.

"We race for image as well as product. I know every manufacturer says that, but we intend to use a street version of our Indy engine in our cars. The engine was developed with this in mind," he said.

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GE auctions report major gains

1987 revenues top $88 million on sales of 440,000 vehicles

GE Capital Auto Auctions, a division of GE Capital Corp., had revenues of approximately $88.8 million on sales of about 444,000 vehicles in 1987, up from $34.7 million on the sale of 111,000 vehicles the previous year.

The company's 17 auctions, while under GE ownership, consigned 751,000 vehicles in 1987, up from 193,000 vehicles in 1986. Auto reconditioning accounted for an estimated 20 percent of the revenues.

Combined sales rate for dealer consignment sales and factory sales was 59 percent.

The rate for dealer consignment sales was about 52 percent, said a company spokesman. Auctions have a higher sales ratio at factory auctions.

The company grossed about $200 per vehicle in 1987, up 10 percent from the prior year, he said.

GE's growth was due to the acquisition of nine auto auctions in 1987. Overall sales for the company's 17 auctions last year, including total sales for auctions purchased during the year, were 585,000 vehicles, up 21 percent from 486,000 in 1986.

Company officials predict a 26 percent growth in 1988 including a 10 percent hike in dealer consignments. The rest is expected to come from gains in fleet, lease and factory business.

As it now stands, 50 percent of GE Capital's business is dealer consignment with 30 percent fleet and lease and 20 percent factory sales.

Other milestones for the company in 1987 include the construction of three new auctions in Chicago; Denver; and Hayward, Calif., at an estimated cost of $40 million including property.

The company also began construction of reconditioning centers at the Southern California Auto Auction, Greater Chicago Auto Auction and Portland Auto Auction.

Company officials project 1988 sales at 750,000 and 1989 sales at 1 million vehicles. GE Capital predicts sales rates this year at 64 percent.

A recent survey conducted by the National Auto Auction Association pegged use of auto auctions by new-car dealers at 12 percent in 1987, up from 9 percent in 1986.

GE Capital Auto Auctions said this trend will continue as more new-car dealers begin using auctions.

"We view new-car dealer consignment as the next big growth area," said Mike Zafirovski, president of GE Capital Auto Auctions.

AUCTION BRIEFS

CHARLES THOMAS

GMAC picks Lexington

Greater Lexington Auto Auction got a sales boost recently when General Motors Acceptance Corp. selected it as the regional repossession disposal center for the mid-South region.

Located in Lexington, Ky., Greater Lexington Auto Auction is independently owned and operated. It will auction about 500 vehicles per month for GMAC beginning in July.

The auction had consigned an estimated 400 repossessed vehicles per month from Chrysler Credit Corp. and area banks before winning the GMAC contract. It had been auctioning about 80 GMAC vehicles per month previously.

Under the terms of the agreement, all dealers will be invited to attend every sale. Vehicles include all makes and models repossessed by GMAC.

GMAC's vehicles in Louisville, Owensboro and Lexington, Ky.; Chesapeake and Marietta, Ohio; Charleston, W.Va.; and Knoxville, Tenn., will be sent to Greater Lexington Auto Auction for sales held on the first three Thursdays of every month.

Dick Sutherland, secretary of Greater Lexington Auto Auction, said the five-year-old auction has four lanes and recently expanded from 11 acres to 15 acres and has parking for 1,200 vehicles.

A reconditioning center is under construction and is scheduled to open in October. Chrysler Credit Corp. sales are held on the first and third Thursdays of the month.

Sutherland said GMAC approached the auction several months ago after deciding it was going to standardize and consolidate disposal of its vehicles.

AUCTION DATES

Chrysler Motors

June 28 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; and Greensboro Auto Auction, Greensboro, N.C.

June 29 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 30 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; Southwest Auto Auction, Phoenix, Ariz.; and Ark-La-Tex Auto Auction, Shreveport, La.

July 1 — St. Louis Auto Auction, Bridgeton, Mo.

July 5 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville; and Golden Gate Auto Auction, Fremont, Calif.

Ford Motor Co.

June 29 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

June 30 — Auto Auction of Billings, Billings, Mt.; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

July 6 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.

Used Car Sales
Auction Averages

June 88	$5,824
Month ago	$5,731
Year ago	$5,929

July 7 — Denver Auto Auction, Aurora, Colo.; Interstate Auto Auction, Mercer, Pa.; and Nashville Auto Auction, Nashville, Tenn.

July 12 — South Seattle Auto Auction, Kent, Wash.

July 13 — Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

July 14 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 27 — Clanton's Auto Auction, Darlington, S.C.; Albuquerque Auto Auction, Albuquerque, N.M.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,486	$12,495	$12,483
1987	$8,656	$8,661	$8,639
1986	$7,318	$7,400	$7,190
1985	$5,797	$5,711	$5,904
1984	$4,528	$4,525	$4,438
1983	$3,730	$3,778	$3,792
1982	$2,511	$2,475	$2,398
1981	$1,946	$1,983	$1,947
Overall Average	$5,824	$5,800	$5,722

General Motors

June 28 — A.D.E. of Birmingham; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

June 29 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

June 30 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

July 6 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Mid-June sales drop; fewer days is reason

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Mid-June sales of U.S.-built cars were off about 1,100 units or half of a percent from deliveries in last year's June 11-20 period, but the daily selling rate was considerably stronger this year.

Total deliveries were 222,262 units compared with 223,376 in the same period of 1987. Last year's mid-June total dropped 11.33 percent below the 1986 figure.

The daily selling rate for June 11-20 was 27,783 or 11.94 percent better than last year's 24,820. There were eight selling days in the period this year and nine last year.

Three of the eight domestic carmakers — Chrysler Motors, Honda and Toyota — reported volume gains of 8 percent to 18 percent for the mid-June period.

Chrysler Motors' sales improved 8.17 percent to 30,932 compared with 28,596 a year ago.

Toyota delivered 1,300 domestic cars in mid-June for an 8.51 percent increase over last year's 1,198, and Honda's sales rose 18.62 percent to 9,781, up from 8,246.

Ford Motor Co.'s sales slipped to 66,851, down 2.02 percent from 68,232 last year, and General Motors dealers delivered 108,079 cars, which was a drop of 2.99 percent from last year's 111,405.

Nissan's deliveries of U.S.-built cars dropped 20.08 percent to 3,462 from 4,332 in the year-ago period, and Volkswagen's 10-day sales were 1,050, down 23.08 percent from 1,365 a year ago. Mazda, which was not producing cars here a year ago, sold 807 in the 10-day period this year.

DOMESTIC SALES

	June 11-20, 1988	June 11-20, 1987
Eagle	1,498	595
Chrysler	7,202	8,364
Plymouth	8,237	8,585
Dodge	13,995	11,052
Chrysler Motors	30,932	28,596
Ford	47,960	46,924
Mercury	14,223	15,642
Lincoln	4,668	5,666
Ford Motor Co.	66,851	68,232
Buick	15,476	15,781
Cadillac	5,588	6,513
Chevrolet	46,046	43,916
Oldsmobile	20,314	22,478
Pontiac	20,655	22,719
General Motors	108,079	111,407
Volkswagen	1,050	1,365
Honda	9,781	8,246
Nissan	3,462	4,332
Toyota	1,300	1,198
Mazda	807	—
U.S. Industry Total	222,262	223,376

Heat walkout at St. Louis plants costs Chrysler 1,000 vehicles

By Jack Bernstein
SPECIAL CORRESPONDENT

FENTON, Mo. — Chrysler Motors assembly plant workers here walked out on three successive days last week because of excessive heat, and the company lost about 1,000 units of production of its minivans, Chrysler LeBarons and Dodge Daytonas.

The strike started with paint shop workers at Plant No. 1 (LeBaron and Daytona) during the second shift on Tuesday. Workers returned to the plant on Wednesday, but when reports circulated that a second-shift worker at Plant No. 1 had died of the heat, workers at both Plants No. 1 and 2 walked off the job.

However, Mary Case, St. Louis County assistant medical examiner, said the collapse in the paint shop and subsequent death of Willie Benton, 54, was "due to coronary artery disease, not to heat."

After negotiating for several hours Thursday, the company and UAW Local 136, representing Plant No. 1, reached agreement that workers would return to work beginning with the second shift on Thursday.

Interviewed on television, Local President Ed Boyer said the agreement included additional ice water for workers, 25 additional people to increase the frequency of breaks and first-aid passes to be issued whenever a worker complained of feeling ill.

The St. Louis area reported temperatures over 100 degrees Wednesday, and a health alert was issued Thursday as the mercury approached 100.

The only other U.S. assembly plant that halted production because of the heat was Ford's Kansas City plant.

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SHUTDOWN DATES FOR U.S. CAR ASSEMBLY PLANTS

Plant	Model changeover/vacation dates (Tentative)	1989 product
GENERAL MOTORS		
Arlington, Texas	No shutdown; Rolling changeover	Cadillac Fleetwood Brougham, Oldsmobile Custom Cruiser and Chevrolet Caprice
Bowling Green, Ky.	No shutdown; Rolling changeover	Chevrolet Corvette
Detroit (Detroit-Hamtrack plant)	July 11 to July 25	Oldsmobile Toronado, Buick Riviera, Cadillac Eldorado, Seville and Allante
Doraville, Ga.	July 18 to August 1	Oldsmobile Cutlass Supreme
Flint, Mich. (Buick City)	N/A	Buick LeSabre
Framingham, Mass.	July 15 to August 18	Chevrolet Celebrity, Oldsmobile Cutlass Ciera
Janesville, Wis.	July 22 to August 1	Chevrolet Cavalier, Buick Skyhawk
Kansas City, Mo. (Fairfax)	July 18 to August 1	Pontiac Grand Prix
Lakewood, Ga.	No shutdown; Rolling changeover	Chevrolet Caprice, Pontiac Safari Wagon, Buick Estate Wagon
Lansing, Mich. (Plant 1)	July 14 to July 28	Pontiac Grand Am
Lansing, Mich. (Plant 2)	July 11 to August 8	Oldsmobile Cutlass Calais, Buick Skylark
Lansing, Mich. (Craft Center)	No shutdown	Buick Reatta
Linden, N.J.	July 18 to August 1	Chevrolet Beretta and Corsica
Lordstown, Ohio	N/A	Chevrolet Cavalier, Pontiac Sunbird
North Tarrytown, N.Y.	July 14 to August 1	Pontiac 6000, Buick Century
Oklahoma City, Okla.	July 18 to July 25	Chevrolet Celebrity, Pontiac 6000, Buick Century
Orion Township, Mich.	July 13 to August 8	Oldsmobile 98 Regency, Buick Electra
Van Nuys, Calif.	July 25 to August 15	Chevrolet Camaro, Pontiac Firebird
Wentzville, Mo.	July 21 to August 2	Oldsmobile Delta 88 and 98 Regency, Buick Electra (will add Pontiac Bonneville when Willow Run closes in January)
Ypsilanti, Mich. (Willow Run)	N/A	Pontiac Bonneville, Oldsmobile Delta 88 (will shutdown in January to retool for the 1990 Chevrolet Caprice)
Wilmington, Del.	July 18 to August 1	Chevrolet Beretta and Corsica
FORD MOTOR CO.		
Atlanta	July 4 to July 18 (vacation)	Ford Taurus, Mercury Sable
Chicago	July 4 to July 18 (vacation)	Ford Taurus, Mercury Sable
Dearborn, Mich.	July 4 to July 18	Ford Mustang
Edison, N.J.	July 4 to July 18 (vacation)	Ford Escort
Kansas City, Mo.	July 4 to July 18 (vacation)	Ford Tempo, Mercury Topaz
Lorain, Ohio	July 4 to July 18 for vacation and August 1 to October 10 for changeover	Ford Thunderbird, Mercury Cougar
Wayne, Mich.	July 4 to July 18 (vacation)	Ford Escort
Wixom, Mich.	July 4 to July 18	Lincoln Town Car, Mark VII and Continental
CHRYSLER MOTORS		
Belvidere, Ill.	July 11 to August 1	Dodge Dynasty, Chrysler New Yorker
Detroit, Mich. (Jefferson Ave.)	August 1 to August 29	Plymouth Reliant, Dodge Aries will be built until year-end and then assembly of the Dodge Omni and Plymouth Horizon will begin
Kenosha, Wis.	July 18 to July 25	Plymouth Gran Fury, Dodge Diplomat and Chrysler Fifth Avenue
Newark, Del.	Closed through October	Dodge Spirit, Plymouth Acclaim
St. Louis, Mo.	July 11 to July 18	Dodge Daytona, Chrysler LeBaron J
Sterling Heights, Mich.	July 25 to August 1	Plymouth Sundance, Dodge Shadow and Lancer, Chrysler LeBaron GTS
HONDA OF AMERICA MANUFACTURING INC.		
Marysville, Ohio	No Shutdown	Civic and Accord
NISSAN MOTOR MANUFACTURING CO. U.S.A.		
Smyrna, Tenn.	July 4 to July 18 (vacation)	Sentra
NEW UNITED MOTOR MANUFACTURING INC.		
Fremont, Calif.	July 4 to July 11	Chevrolet Nova, Toyota Corolla FX

BETTE LAW: *Court says Ford can be sued for Midler sound-alike ad*

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — A federal appeals court ruled that singer-actress Bette Midler can sue Ford Motor Co. over the use of a sound-alike singer who performed a Midler song in a 1985 Lincoln-Mercury commerical ruled.

Noting that "to impersonate her voice is to pirate her identity," a three-judge panel of the 9th District Court of Appeals remanded the case to trial in federal district court in Los Angeles.

That court had granted summary judgment in favor of Ford and ad agency Young & Rubicam because it found no specific California statute against the impersonation, although the judge characterized the defendants' conduct as that "of an average thief."

When Midler was originally asked to perform her song "Do You Want To Dance?" for the commercial, she declined. Young & Rubicam then hired Ela Hedwig, a backup singer for Midler for 10 years, to imitate her voice.

PRODUCTION

Car build is 161,630, down 2%

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Domestic auto production was targeted at 161,630 last week, 2.45 percent below the prior week's 165,688 but 10.93 percent more than the year-ago week's 145,711.

So far this year, 3,635,402 cars have been assembled, 6.06 percent below the 3,869,929 completed last year at this point.

Last week's scheduled output was shared as follows: General Motors, 50.08 percent; Ford Motor Co., 27.53 percent; Chrysler Motors, 10.95 percent; Honda of America Manufacturing Inc., 4.75 percent; New United Motor Manufacturing Inc., 2.01 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.78 percent; Nissan Motor Manufacturing Co. U.S.A., 1.66 percent; and Volkswagen of America, 1.24 percent.

Truck production was scheduled at 81,238 units last week, 7.82 percent below the previous week's 88,129.

Workers walked off the job last Tuesday at Chrysler's St. Louis No. 1 plant because of excessive heat. They returned on Wednesday, but walked out again, along with workers at Plant No. 2, when they heard that a worker had died from the heat.

The death of Chrysler worker Willie Benton was not, in fact, due to the heat but to coronary artery disease, said Mary Case, St. Louis County assistant medical examiner.

Production on the second shift resumed at both St. Louis plants Thursday and the first shift went back to work Friday.

Chrysler's Sterling Heights, Mich., plant was idle last week because of a parts shortage. It was expected to resume output today.

As reported earlier, Chrysler's Newark, Del., plant is idle for model changeover until October.

Production of Dodge 600 and Plymouth Caravelle models ended last week. Those lines will be dropped for 1989.

Ford's St. Louis truck plant shut down for vacation today. Output is scheduled to resume July 11.

Overtime was slated last Saturday at GM's Lordstown, Ohio; Lansing, Mich.; Linden, N.J.; and Arlington, Texas plants.

Cars, trucks slip in Canada

Last week's scheduled Canadian car output totaled 24,310 units, 1.70 percent below the prior week's 24,730 but 39.27 percent more than the year-ago week's 17,455.

So far this year, 594,744 cars have been built, 41.57 percent more than the 420,115 completed last year at this point.

Truck output was slated at 20,075 units last week, slightly below (0.26 percent) the prior week's 20,127 but 6.66 percent more than the year-ago week's 18,822.

Year-to-date, 479,352 trucks have been assembled, 15.17 percent more than the 416,202 built last year at this time.

Chrysler's Bramalea, Ontario, plant was expected to resume output today. The plant has been idle for two weeks for line adjustments.

U.S. CAR	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Alliance	0	0	0	0	0	15,539
Total Eagle	0	0	0	0	0	15,539
Horizon	2,000	0	2,161	7,756	48,505	32,997
Sundance	0	1,825	2,666	6,880	51,882	53,083
Reliant	1,900	1,950	3,174	9,921	54,244	61,346
Caravelle	0	1,002	0	451	9,743	28,220
Gran Fury	300	132	303	1,313	7,014	2,281
Total Plymouth	4,200	4,909	8,304	26,322	171,388	177,927
LeBaron K	0	575	0	0	7,955	42,901
LeBaron J	2,200	3,480	2,707	8,486	40,077	61,622
LeBaron GTS	0	920	269	725	4,615	22,167
N. Yorker E-Class	0	1,739	0	0	0	43,619
N. Yorker C-Class	2,700	0	2,941	9,864	60,527	0
Fifth Avenue	200	1,279	327	975	14,865	21,699
Total Chrysler	5,100	7,993	6,244	20,050	126,339	192,008
Omni	2,000	0	2,098	7,619	48,104	28,363
Daytona	2,200	1,747	2,697	8,374	39,025	30,347
Shadow	0	2,263	2,359	6,079	53,215	54,297
Aries	1,700	2,254	2,829	8,793	46,149	57,603
Dodge 600	0	956	0	436	8,558	25,208
Dynasty	2,200	0	2,380	7,994	55,639	0
Lancer	0	530	166	437	5,004	14,136
Diplomat	300	276	501	1,333	11,193	4,001
Total Dodge	8,400	8,026	13,030	41,065	266,887	213,955
CHRYSLER MOTORS	17,700	20,928	27,578	87,437	564,614	599,429
Escort	11,066	8,661	9,407	35,168	194,901	191,135
Mustang	4,527	4,372	3,782	14,962	106,205	110,342
Tempo	3,921	2,801	3,877	13,745	99,619	97,391
Taurus	9,571	7,998	9,096	32,347	205,104	218,687
Thunderbird	3,364	3,684	3,538	12,593	81,688	84,865
Total Ford Div.	32,449	27,516	29,700	108,814	687,577	702,420
Lynx	0	251	0	0	0	20,017
Topaz	1,593	1,094	1,561	5,398	37,381	32,062
Cougar	3,139	2,541	2,344	9,270	61,226	78,779
Sable	3,106	2,608	2,859	10,361	71,174	69,489
Total Mercury	7,840	6,494	6,764	25,029	169,781	200,347
Continental	923	246	916	3,315	23,039	9,373
Mark VII	474	429	494	1,699	12,653	13,920
Lincoln	2,815	2,385	2,885	10,156	73,562	70,218
Total Lincoln	4,212	3,060	4,295	15,169	109,254	93,511
Total L-M Division	12,052	9,554	11,059	40,199	279,035	293,858
FORD MOTOR CO.	44,501	37,070	40,759	149,013	966,612	996,278
Skyhawk	6	467	3	9	11,359	15,786
Skylark/Somerset	1,767	1,159	1,651	5,624	25,149	36,584
Century	3,780	2,743	3,388	12,732	57,341	92,313
Regal (rwd)	0	924	0	0	0	23,332
Riviera	126	241	131	500	3,475	8,238
Electra	2,227	2,420	2,246	8,044	45,091	51,116
LeSabre (fwd)	2,500	4,669	2,500	8,654	63,642	69,123
LeSabre (rwd)	235	64	197	786	5,052	5,237
Reatta	213	0	193	703	3,080	0
Total Buick	10,856	12,687	10,309	37,051	214,189	301,729
Cimmaron	0	202	0	0	3,696	7,409
Eldorado	1,006	650	1,009	3,847	22,074	10,131
Seville	601	583	611	2,301	13,714	12,379
Brougham (rwd)	486	1,062	397	1,880	18,059	38,089
Deville (fwd)	3,540	2,668	3,549	12,212	91,019	81,728
Allante	0	152	0	87	1,135	2,078
Total Cadillac	5,633	5,517	5,566	20,328	149,697	151,814
Cavalier	9,307	8,065	9,223	30,303	180,463	189,611
Camaro	2,250	3,475	2,501	8,287	44,846	56,119
Celebrity	5,075	680	5,237	18,128	94,961	176,147
Corsica/Beretta	8,500	7,548	9,204	31,544	206,685	140,884
Monte Carlo	0	1,108	0	0	0	37,006
Caprice	5,656	2,031	4,861	18,542	102,246	100,005
Corvette	445	642	447	1,552	10,735	15,294
Total Chevrolet	31,233	23,549	31,473	108,357	639,936	715,066
Calais	3,099	3,687	2,648	10,814	60,794	68,245
Firenza	0	672	0	0	5,220	6,273
Cutlass Ciera	1,760	5,038	1,761	5,736	6,160	96,409
Cutlass Supreme	3,875	1,696	4,026	13,894	104,100	37,637
Toronado	405	550	419	1,556	9,586	9,752
88 (fwd)	3,420	4,057	3,456	12,531	84,645	98,049
88 (rwd)	105	444	133	456	5,965	9,972
Olds 98	1,600	1,003	1,593	5,536	41,627	35,740
Total Oldsmobile	14,264	17,147	14,036	50,533	320,097	365,675
Sunbird	2,627	2,046	2,418	8,494	54,967	59,094
Grand Am	6,244	5,933	4,943	19,826	125,428	132,935
Firebird	1,443	2,103	1,677	5,478	32,697	40,996
Grand Prix	3,725	0	3,756	12,520	64,552	0
Pontiac 6000	1,610	2,029	1,669	5,488	39,370	42,175
Bonneville	2,753	3,097	2,734	10,048	58,072	68,561
Safari/Parisienne	50	96	86	309	4,144	5,400
Fiero	508	1,146	488	1,499	10,146	20,275
Total Pontiac	18,960	16,450	17,771	63,662	389,376	369,436
GENERAL MOTORS	80,946	75,350	79,155	279,930	1,713,295	1,903,720
HONDA	7,680	6,235	7,525	26,464	183,916	163,801
Civic	2,480	2,204	2,483	8,482	50,044	55,539
Accord	5,200	4,031	5,042	17,983	133,872	108,262
MAZDA†	2,875	0	2,681	9,147	44,871	0
NISSAN	2,678	0	2,724	9,262	50,784	70,724
NUMMI	3,250	4,093	3,299	11,461	80,221	96,462
Corolla	1,200	893	1,196	4,231	29,491	19,939
Nova	2,050	3,200	2,103	7,231	50,730	76,523
VOLKSWAGEN	2,000	2,035	1,967	6,957	31,089	39,515
Golf/GTI	2,000	1,785	1,967	6,957	25,536	33,364
Jetta	0	250	0	0	5,553	6,151
Total Cars, U.S.	161,630	145,711	165,688	579,672	3,635,402	3,869,929
Total Cars, Canada	24,310	17,455	24,730	92,167	594,744	420,115
U.S., Canada Cars	185,940	163,166	190,418	671,839	4,230,146	4,290,044
U.S., Canada Cars and Trucks	287,253	254,631	298,674	1,043,789	6,816,817	6,597,651

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	2,613	33,569	—
CHRYSLER MOTORS	0	0	0	2,613	33,569	2,856
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,268	—	3,256	11,935	99,392	—
Topaz	1,628	—	1,604	5,649	35,133	—
Crown Victoria	2,832	—	2,806	10,135	69,599	—
Grand Marquis	2,928	—	2,873	10,481	69,558	—
FORD MOTOR CO.	10,656	10,264	10,541	38,200	273,682	268,530
Celebrity	580	—	615	2,240	11,230	—
Cutlass Ciera	6,644	—	7,032	25,622	142,227	—
Cutlass Supreme	0	—	0	0	3	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,393	5,220	27,985	—
Regal	3,800	—	3,769	13,675	83,908	—
GENERAL MOTORS	12,424	6,549	12,809	46,757	265,350	137,957
Civic	1,050	—	1,200	3,857	6,288	—
Accord	0	—	0	91	12,315	—
HONDA	1,050	417	1,200	3,948	18,603	5,462
VOLVO	180	225	180	648	3,540	5,310
Total Cars, Canada	24,310	17,455	24,730	92,167	594,744	420,115

U.S. TRUCK☆	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Caravan	1,900	—	2,370	7,316	50,470	—
Dakota	1,000	—	1,978	6,102	56,805	—
Mini-Ram Van	300	—	413	1,238	8,001	—
Pickups	1,000	—	1,909	6,008	35,503	—
Total Dodge	4,200	7,968	6,670	20,664	150,779	138,754
Cherokee	3,700	—	3,837	14,061	91,423	—
Commanche	700	—	818	3,009	23,427	—
Grand Wagoneer	300	—	350	1,168	7,580	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	135	681	6,336	—
Total Jeep	4,800	3,726	5,140	18,919	133,966	108,668
Voyager	1,500	—	2,189	6,417	46,309	—
Total Plymouth	1,500	—	2,189	6,417	46,309	—
CHRYSLER MOTORS	10,500	11,694	13,999	46,001	331,054	247,422
Aerostar	4,460	—	4,454	14,299	109,219	—
Bronco	1,511	—	1,318	4,738	31,159	—
Bronco II	1,944	—	2,546	8,135	67,313	—
Econoline	5,150	—	5,232	18,014	125,305	—
Heavy trucks	1,480	—	1,715	5,514	35,098	—
Light trucks	10,531	—	10,270	35,986	256,829	—
Ranger	6,688	—	7,849	26,252	183,786	—
Total Ford Div.	31,734	29,245	33,384	112,939	808,709	761,272
FORD MOTOR CO.	31,734	29,245	33,384	112,939	808,709	761,272
Astro	3,900	—	2,935	12,671	86,376	—
Blazer	554	—	595	2,111	14,018	—
Mediums/Heavies	440	—	266	1,331	9,051	—
P-Model	890	—	949	3,041	19,846	—
Pickups	7,111	—	7,297	25,427	168,731	—
S-10	5,550	—	7,073	21,789	145,988	—
S-10 Blazer	3,575	—	4,374	13,605	83,920	—
Sportsvan/Van	2,300	—	2,359	7,830	44,210	—
Suburban	1,495	—	1,798	5,732	37,273	—
Total Chevrolet	25,815	19,006	27,646	93,537	609,413	550,325
Jimmy	131	—	193	528	4,143	—
Mediums/Heavies	660	—	759	2,391	19,879	—
P-Model	130	—	106	524	2,859	—
Pickups	2,136	—	1,641	6,905	51,753	—
S-15	1,150	—	1,355	4,489	33,587	—
S-15 Jimmy	765	—	897	3,065	21,552	—
Safari	973	—	767	3,151	22,087	—
Suburban	562	—	578	2,199	17,241	—
Vandura/Rally Vans	676	—	663	2,144	18,160	—
Total GMC	7,183	8,266	6,959	25,397	191,261	190,345
GENERAL MOTORS	32,998	27,272	34,605	118,934	800,674	740,670
NAVISTAR	1,866	1,682	1,765	6,495	44,165	38,508
NISSAN	1,390	0	1,626	5,488	54,517	42,333
AM GENERAL*	450	450	450	1,620	11,160	6,000
MISCELLANEOUS*	2,300	2,300	2,300	8,280	57,040	55,200
Total Trucks, U.S.	81,238	72,643	88,129	299,757	2,107,319	1,891,405

CANADIAN TRUCK	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Caravan	3,150	—	2,950	10,821	74,538	—
Mini-Ram Van	324	—	334	1,173	7,378	—
Ram Wagon	520	—	556	1,980	12,556	—
Ram Van	1,530	—	1,459	5,337	32,438	—
Total Dodge	5,524	8,664	5,299	19,311	126,910	208,503
Voyager	2,670	—	2,720	9,567	68,099	—
Total Plymouth	2,670	—	2,720	9,567	68,099	—
Wrangler	1,018	—	1,069	3,636	25,214	—
Total Jeep	1,018	759	1,069	3,636	25,214	16,765
CHRYSLER MOTORS	9,212	9,423	9,088	32,514	220,223	225,268
FORD MTR. (lt. trks.)	3,648	3,502	3,515	12,842	88,561	79,779
Light trucks	3,150	—	3,319	11,003	76,068	—
Vans	1,467	—	1,473	5,504	31,675	—
Total Chevrolet	4,617	—	4,792	16,508	107,743	—
Light trucks	1,650	—	1,801	7,146	40,461	—
Vans	678	—	664	2,221	16,722	—
Total GMC	2,328	—	2,465	9,367	57,183	—
GENERAL MOTORS	6,945	5,671	7,257	25,875	164,926	106,231
NAVISTAR	270	226	267	961	5,642	4,924
Total Trks., Canada	20,075	18,822	20,127	72,192	479,352	416,202
U.S., Canada Trks.	101,313	91,465	108,256	371,950	2,586,671	2,307,607

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

7/6/88 C2700-1

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July 4, 1988

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THE 2-STROKE

Ford signs license agreement for new-wave Aussie engine

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — In one of the most significant engine developments in two decades, Ford Motor Co. signed a licensing agreement to power future small cars with a modern Australian version of the two-stroke engine made famous in lawnmowers and early Saabs.

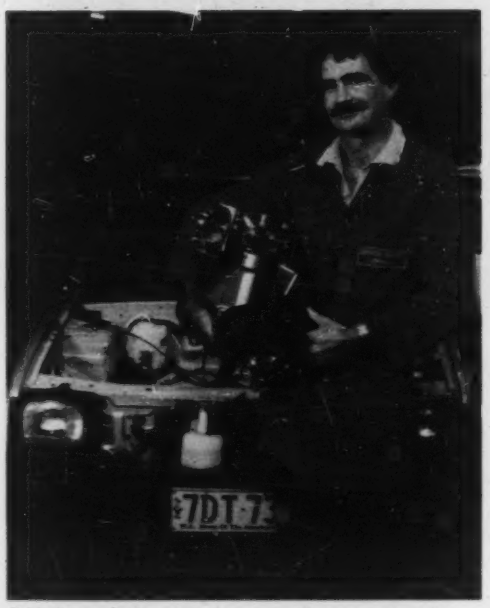
After weeks of speculation that an American automaker was close to signing a deal with the inventor of a high-tech, stratified-charge version of the two-stroke, Ford's non-exclusive agreement was disclosed last week.

The agreement says Ford can use the two-stroke produced by Orbital Engine Co. of Australia — an engine so small you can carry it under your arm — "in future products if technical and business developments now under way prove successful." However, such details as the cost of the license and its length were hidden under terms of a confidentiality agreement.

Robert Brooks of Technology Commercialization, Waukegan, Ill., a consultant specializing in automotive technology, called the Ford action the most significant engine development in nearly 20 years.

Brooks represented Audi-Wankel in this country in the 1970s. Of the two-stroke, he said, "It has everything we wanted but did not have with the Wankel. It has efficiency, low emissions, low cost and manufacturability."

see 2-STROKE, page 57



Orbital two-stroke: an engine so small you can carry it under your arm

Big beefs win big bucks from Olds

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Who says it doesn't pay to complain?

Oldsmobile told its dealers last week that it will offer dissatisfied customers of some 1985 Oldsmobiles a wide range of incentives — including cash rebates on new cars, free service or repairs, loaner vehicles and extended warranties — doled out in relationship to how unhappy the customers are.

Consumers will be able to voice their feelings about their ownership experience via an extensive survey underwritten by Oldsmobile. The program, called "The Oldsmobile Partnership Customer Commitment," is a pilot program to improve satisfaction among owners of 1985 vehicles.

The division is mailing 413,000 surveys and letters to owners of 1985 Ciera, 98 and Delta 88 models. Olds said it will mail approximately 34,000 every two weeks between May 1 and Oct. 6. The 1985 models were selected because customers are most likely to replace a three-year-old car and the nameplates represent some of Oldsmobile's core products.

The direct-mail piece includes a letter from Oldsmobile General Manager William Lane asking owners to fill out a three-page survey and express their true feelings about the division and its products.

The survey asks them how much they agree or disagree with statements such as: "I'm proud of my Oldsmobile," "I feel I could keep my Olds for 10 years," "Being an Oldsmobile owner is nothing special to me" and "Oldsmobile technology is competitive with other cars I'd consider."

Consumers are also asked to give information and opinions on their overall ownership experience, including mileage on their 1985 Oldsmobile, how many times the vehicle has required service, and how much money the consumer has spent on non-warranty repairs.

The final question on the survey asks what the di-

see INCENTIVES, page 57

Optimism rebounds for China

Joint ventures move into black

By Stephen Vines
STAFF CORRESPONDENT

BEIJING, China — After years of bad news for overseas companies making vehicles in China, a mood of cautious optimism is now taking hold. The most troubled of the foreign partnerships, the joint-venture companies, appear to have turned the corner and are finally on the way to making money.

Due in part to the previous misfortunes of those companies, other foreign manufacturers have been reluctant to invest in China, although there are signs that more technical cooperation agreements are underway.

Those agreements do not require foreign investment but offer overseas companies the prospect of earnings from parts supply and technology transfer fees.

The latest involves Daimler Benz AG of West Germany, which has just signed the largest contract to date for the production of heavy trucks with China's massive North Industrial Corp. at Baotou in the Inner Mongolia Autonomous Region. (Automotive News, June 27).

The goal is to build 6,000 trucks per year employing German technology and, in the early stages, parts from the Mercedes-Benz truck division.

Recently, General Motors signed a deal to supply used tooling to a Beijing factory for a production line capable of building 300,000 engines per year.

see CHINA, page 56

RAIN PAIN: *Heartland drought hits auto sales, too*

By Dan Morrison
SPECIAL CORRESPONDENT

Farmers aren't buying trucks, mechanics repairing their old ones are swamped, and used cars are becoming more enticing as the drought continues in the heartland of America.

"We haven't felt the effects of the weather yet," said Verne Chittenden of Gene Steffy's Chrysler, Fremont, Neb. "This time of year, we get most of our trade from city people. The fall (when farmers sell their crops and normally do their buying) is really the time that we could be hurt."

Chittenden is an exception.

Dealers in the farm belt are already reporting slow sales that will in all likelihood only get worse if rain — and enough rain — doesn't come. Manufacturers may soon feel the pinch, too.

Ford, Dodge, Toyota and Chevrolet haven't done anything so far to promote sales specifically in the drought-stricken regions, either with special rebates or incentives. However, they seem leery about this fall when farmers do most of their car and truck shopping.

So far, truck sales in the Midwest are actually up over last year. But most agree the drought-driven worst is yet to come — and that, in some cases dealers that cater mostly to farmers might be able to take up the slack by drawing customers from neighboring cities.

As for imports, one expert says, "I don't think the impact of the hot weather will be

see DROUGHT, page 53

Japan readies 4-year product deluge for U.S.

Will assault market segments long dominated by domestics

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Japanese automakers are preparing a massive onslaught of new products for the U.S. market over the next four years, especially in performance-luxury, van and specialty-truck segments traditionally dominated by the domestics.

The veil of secrecy surrounding Japanese future product plans is loosening slightly, but even professional prognosticators still have trouble looking more than four or five years ahead with Japanese-based companies.

That compares to up to eight or nine years with European and U.S. automakers.

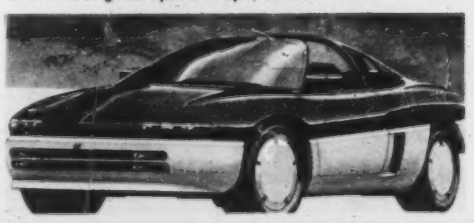
Part of the reason is that longer product cycles and greater leadtimes for Europeans and domestics make it easier to chart their plans far into the future, said George Peterson, president of The AutoPacific Group, Newport Beach, Calif., and publisher of "The Competitive Battleground," a quarterly journal of global automotive product cycles.

"We used to be able to just spring a new engine or car line on the public at the last minute, but now we go

see PRODUCTS, page 48

MYSTERY MEET PHOTOS

United States will get '89 Suzuki Swift, top; Isuzu may offer mid-engined sports coupe, bottom



But snags arise in luxury sector

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Honda's move into the U.S. luxury segment has been a huge success, but as Toyota and Nissan prepare to follow, there are reminders of how tough it is to break into prestige sales.

At least two image-leader car programs have been delayed and perhaps scrubbed, and Nissan's Infiniti Division may miss its original internal start-up goal of September 1989.

Product development snags are familiar subjects to every automaker and delays in launching new brands are not uncommon, but these are the first concrete signals that a wave of Japanese Cadillac-sized cars with V-8 engines isn't

see LUXURY, page 52

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GM shuffles high posts; race for top steams up Page 3
Porsche to kill slow-selling 924 Page 6

THE GM CHANGES

DONALD J. ATWOOD
Age: 64
Title: GM vice chairman
Responsibility: president of GM Hughes Electronics Corp., president of Delco Electronics Corp.

ROGER B. SMITH
Age: 62
Title: chairman

ROBERT STEMPEL
Age: 54
Title: president

F. ALAN SMITH
Age: 57
Previous title: executive VP and director
Responsibility: finance group and GMAC
New title: executive VP and director
Responsibility: operating and public affairs staffs group

ROBERT T. O'CONNELL
Age: 49
Previous title: VP and group executive
Responsibility: finance group
New title: executive VP
Responsibility: finance group and GMAC

LLOYD E. REUSS
Age: 51
Title: executive VP and director
Responsibility: North American automotive operations

JOHN F. SMITH JR.
Age: 50
Previous title: VP
Responcibility: president, GM of Europe
New title: executive VP
Responsibility: all overseas operations

WILLIAM E. HOGLUND
Age: 53
Previous title: VP and group executive
Responsibility: B-O-C Group
New title: executive VP
Responsibility: automotive components groups and newly formed power products and defense operations group

GARY W. DICKINSON, 50, VP and group director, engineering C-P-C, becomes group executive of technical staffs group

DONALD L. RUNKLE, 42, director, advanced vehicle engineering, C-P-C becomes VP of advanced engineering staff Robert J. Eaton, 48, former group VP — technical staffs, becomes president, GM-Europe

CHARLES KATKO, 62, VP and former group executive, truck and bus group, becomes group executive, operating staffs group

E. MICHAEL MUTCHLER, 53, VP and former group executive, body and engine components group, becomes group executive, truck and bus group

J.T. BATTENBERG III, 45, VP and former manager of Flint automotive division of B-O-C, becomes group executive, B-O-C

LEWIS D. CAMPBELL, 42, executive director of the GM-UAW quality network of the quality and reliability and service parts operations group, becomes a VP and manager of Flint automotive division, B-O-C

ROBERT J. EATON, 48, VP and former group executive, technical staffs group, becomes president, GM-Europe

JOHN D. DEBBINK, 64, VP and former group executive, chassis and transmission components group, becomes group executive, power products and defense operations group

STATUS QUO

PROMOTED

GM shuffles high posts; race for top steams up

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — As General Motors reassigned some of its commanding officers, GM watchers disagreed on what those changes portend for the future of some key players and for the corporation.

Two of the people whose corporate future the analysts are eyeing more closely: Executive Vice President F. Alan Smith, seen as the newest rising star, and President Robert C. Stempel, who has been many analysts' odds-on favorite to reach GM's top spot.

"I have to think F. Alan Smith is the real winner," said Ronald A. Glantz, an automotive analyst for Montgomery Securities in San Francisco.

"He is a winner," concurred another Wall Street analyst who asked to remain anonymous. "And as far as I'm concerned, the bean-counters won.

"One thing is for certain: Stempel is no longer a winner. They put another layer between him and those who run (Stempel's) groups. By this announcement, (GM Chairman) Roger Smith now has two people dancing on the head of a pin — F. Alan Smith and Stempel — and Alan Smith is dancing a little higher."

On that point analyst Glantz disagrees. He sees Stempel as destined for the chairmanship.

"In my opinion, Stempel's running the company," Glantz said. "I suspect Stempel will be the next chairman and F. Alan Smith will succeed Stempel as president."

Glantz, who said he predicted many of the announced moves, said they don't do much to confront the crux of the automaker's current woes.

"I'm disappointed that no one is being penalized for the market-share erosion and that GM still has lower operating margins than its competitors," Glantz said.

"General Motors is very much a geriocracy. What was most disappointing was that no one was fired — and that people were only elevated (in job stature)."

The changes were made, GM Chairman Smith said, to prepare a selection of candidates who could succeed him when he retires in 1990.

"There are two years before I go, and I hope a lot is going to happen before I go," Smith said. "We have some bright young people and we want to show them off."

The announcement came one day after the resignation of GM Executive Vice President Elmer Johnson, said to have been in the running for the GM chairmanship. But opponents of the counter-cultural Johnson pointed out that he was an outsider within GM and questioned his credentials to run the world's largest automaker.

Johnson, a partner in the Chicago law firm of Kirkland & Ellis before joining GM five years ago, has rejoined the law firm.

Smith said the the personnel change was accelerated by Johnson's departure but that the two incidents were otherwise not related.

Last week's board-approved changes included the appointment of three new executive vice presidents as well as the formation of a new corporate entity — the power prod-

see GM SHUFFLE, page 54

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New faces and a farewell at World Congress

DETROIT — There will be some new players on stage at the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20. And there will be a fond farewell for one faculty member.

Making his farewell address to a Detroit audience before leaving on a new assignment will be Robert J. Eaton, former vice president and group executive in charge of General Motors' technical staffs group.

Last week, Eaton was appointed president of General Motors Europe. His World Congress address will be his last in Detroit — at least for a few years — before heading overseas.

Eaton's new appointment was among the personnel changes announced last week by GM Chairman Roger B. Smith.

Among other World Congress faculty newcomers this year are: Norimasa Furuta, president, Mazda Motor Corp., Hiroshima, Japan; Vittorio Ghidella, president, Fiat Auto S.p.A., Turia, Italy; J.R. "Rick" Hendrick III, owner of Hendrick Management Corp. and Hendrick Motorsports, Charlotte, N.C.; Robert P. Oliver, chairman, Laforza Automobiles Inc., Hayward, Calif.; Roger S. Penske, president, Penske Corp., Red Bank, N.J.; and Dieter Spethmann, chairman of the executive committee, Thyssen AG, Duisberg, West Germany.

Furuta succeeded Kenichi Yamamoto as president of Mazda last December. Prior to that, he was senior managing director in charge of the corporate communications division.

Ghidella started his career at Fiat in 1956, following graduation as a mechanical engineer from Polytechnic of Turin.

He became president and chief executive officer of the automobile operations of Fiat group in 1979. The company's car lines include Fiat, Lancia, Alfa Romeo, Autobianchi and Ferrari.

Since its beginning in 1984, Hendrick's motorsports team has won 15 NASCAR Winston Cup races, including the 1986 Daytona 500.

He is also sole owner of Hendrick Management Corp., a holding company that owns more than 20 car and truck dealerships.

Oliver's company recently changed its corporate name to Laforza Automobiles Inc. from Fissori North America, and changed the name of its new luxury sport-touring vehicle to Laforza.

The first national exposure of the Italian-made vehicle, under the name Fissori, was at the National Automobile Dealers Association convention last February.

Penske's corporation is a privately held firm comprised of three business groups: transportation services, retail automotive and automotive performance.

His Penske Racing Team has won seven Indianapolis 500-mile races and seven Indy car national championships.

Spethmann heads a company that employs 130,000 and consists of more than 180 companies worldwide, including U.S.-based Budd Co. He will deliver the State of the Supplier Industry address at this year's World Congress.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

VW Golf spoiler
Electrodyne Inc., an Alexandria, Va.-based importer/distributor of auto accessories, is offering a Foha rear window spoiler for 1985 and newer Volkswagen Golf models. Foha aerodynamic components can be painted to match exterior colors.

GE Auctions mulls publication of price guide

GE Capital Auto Auctions had a hectic 1987 that included a buying spree that netted the company nine auctions. But now the industry powerhouse may be preparing to launch an even chancier venture — publication of its own used-vehicle price guide.

"We have looked at it, but it is still very much on the drawing board," said Mike S. Zafirovski, president of GE Capital Auto Auctions. "It is in the exploratory stages and we have to complete plans to see how it would operate."

Liese C. Spiegelberg, vice president of marketing and development for GE Capital, said the company has looked at a variety of new businesses including a price guide, but she denied the project has received the green light.

"We will look at anything that will make a profit, but we are not sure that this is a profit opportunity," she said.

However, Spiegelberg said GE is looking at the project over the long term — perhaps five years from now.

Speculation that GE wants to start a guide book began several months ago when the company discussed the venture with Lynn A. Weaver, editor of the NADA Official Used Car Guide.

The National Automobile Dealers Association price guide is the biggest in the industry with more than 400,000 subscribers.

"I think GE is very serious about starting a book," said Weaver. "But GE will have problems putting it together because they don't generate enough data for a guide book."

Most of the price guides rely on data collected from auctions to formulate prices for used cars, but they also obtain information from other sources.

So Weaver said he doubts that price data only from auctions is enough to launch a price guide.

"Auctions sell a lot of cars in big numbers but only on the high end," he said. "They have very little data on low-volume vehicles like imports and older vehicles. How do you formulate a price if only one 1983 Cutlass Supreme shows up at an auction?"

Yet, Weaver conceded that GE has the money to publish a price guide, and he said the company has the resources to begin publishing one within six months.

"I don't think I discouraged them," Weaver said. "They have a bottomless pit of money. GE is new to the auction business and even though there are a lot of good people there, I have to wonder if it would be biting off more than it can chew with a price guide."

One industry source suggested that a price guide published by GE Capital could be dangerous. Ford Motor Co. owns 20 percent of GE Capital Auto Auctions and sends hundreds of thousands of cars through its auctions.

"GE has cradle-to-grave cars now," he said. "With pricing on the other end — it could lead to editorializing of the data — the possibility of manipulating numbers exists."

Tony Moorby, executive vice president of Anglo American Auto Auctions, said he is not surprised that GE Capital would consider publishing a price guide — Anglo also looked at the possibility of publishing one several years ago.

"We even prepared a brochure of prices aimed at the fleet and lease market," he said. "But Anglo dropped it after two editions because the company did not have the data or the information accrual to continue publishing it."

However, Moorby agreed that auctions own data that is valuable to huge numbers of people in a variety of markets including the insurance industry, fleet and lease industry and financial institutions.

"The most sensible thing is for everyone in the auction industry to pool the information, massage it and then sell it," he said.

Moorby said the data should be sold through the National Auto Auction Association.

"It would provide income for the NAAA and allow it to hire a staff that would also include marketing experts," he said.

AUCTION BRIEFS

CHARLES THOMAS

Anglo buys No. 21

Anglo American Auto Auctions has acquired Albuquerque Auto Auction in Albuquerque, N.M., for an undisclosed amount. It brings to 21 the number of outlets owned by the company and is its second site in Albuquerque.

The company also owns Dealers Auto Auction of Albuquerque — a two-lane facility that receives consignments of about 500 vehicles per week from dealers.

Michael J. Richardson, Anglo president and chief executive, said the company plans to run the two auctions independently until they are merged on a 40-acre site now under development.

Albuquerque Auto Auction has had a troubled five years that included three owners before Anglo's decision to purchase it. The auction receives consignments of 500 vehicles per week, has a sales rate of 40 percent and has about 500 registered dealers.

BMW holds first sale

BMW held its first closed auction sale at the Atlanta Auto Auction in Red Oak, Ga., recently, selling 213 vehicles for about $6 million. It drew representatives from 25 percent of the BMW dealerships nationwide.

The sale included company cars and cars coming off lease from GE Credit Corp., which serves as the financial agent for BMW of North America. The wholesale prices of the cars ranged from $9,000 to $45,000 and all of them were sold.

Special financing and transportation were arranged for dealers. The auction used the event to inaugurate its newest selling lane — the ninth for the suburban-Atlanta facility. Atlanta Auto Auction is owned and operated by Atlanta-based Manheim Auctions.

Steel firm fined in Saturn death

NASHVILLE, Tenn. — Century Steel of West Mifflin, Pa., has been fined $2,430 by a state safety agency for alleged violations in the death of a worker at the Saturn Corp. plant in Spring Hill.

The company is contesting the findings, said a spokeswoman for the Tennessee Occupational Safety and Health Administration.

The worker, Calvin Bruce Davis, fell 50 feet to his death in December while bolting steel components at the plant.

The agency said Davis failed to wear proper protective equipment. It also said the company failed to use safety nets where a ladder, scaffolding, temporary floor, catch platform or safety lines or belts were inappropriate.

— The Associated Press

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TEXAS

Fort Worth Auto Auction (div. of GECAA), 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Millikien, 512-661-4200.

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AUCTION DATES

General Motors

July 6 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

July 7 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

July 12 — A.D.E. of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; Manheim Auto Auction, Manheim, Calif.; and Florida Auto Auction of Orlando, Ocoee, Fla.

July 13 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Chrysler Motors

July 5 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville; and Golden Gate Auto Auction, Fremont, Calif.

July 6 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; Denver Auto Auction, Aurora, Colo.; and South Seattle Auto Auction, Kent, Wash.

July 7 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; The Big Sky Auto Auction Inc., Billings, Mont.; and Aptco Auto Auction, Taylor, Mich.

July 8 — Manheim Auto Auction, Manheim, Pa., and Salt Lake Auto Auction, Salt Lake City

July 12 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; and Portland Auto Auction, Portland, Ore.

July 13 — Columbus Fair Auto Auction, Obetz, Ohio

July 14 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

July 6 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.

July 7 — Denver Auto Auction, Aurora, Colo.; Interstate Auto Auction, Mercer, Pa.; and Nashville Auto Auction, Nashville, Tenn.

July 12 — South Seattle Auto Auction, Kent, Wash.

July 13 — Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

July 14 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 27 — Clanton's Auto Auction, Darlington, S.C.; Albuquerque Auto Auction, Albuquerque, N.M.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Used Car Sales
Auction Averages

June 88	$5,855
Month ago	$5,800
Year ago	$5,922

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,545	$12,495	$12,483
1987	$8,668	$8,661	$8,638
1986	$7,327	$7,400	$7,190
1985	$5,801	$5,711	$5,904
1984	$4,534	$4,525	$4,438
1983	$3,721	$3,776	$3,792
1982	$2,529	$2,475	$2,398
1981	$1,932	$1,983	$1,947
Overall Average	$5,855	$5,800	$5,722